

State of Alaska FY2002 Governor's Operating Budget

Department of Labor and Workforce Development

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Department Mission

The mission of the Department of Labor and Workforce Development is to promote safe and fair working conditions and to advance opportunities for employment.

Department Goals and Strategies

- 1) PUT ALASKANS TO WORK.
 - Increase marketing of employment services to Alaska employers including the opportunity for them to post their job orders directly to Alaska's Job Bank through use of the Internet.
 - Provide partial income replacement to insured workers during periods of temporary unemployment through an efficient and convenient application process.
 - Provide Adult Basic Educational Services to assist Alaskans' transition into higher education, vocational education, and ultimately into employment.
 - Reduce jobless rate among Alaskans with disabilities.
- 2) ENSURE THAT ALASKAN WORKERS ARE: PROVIDED SAFE AND HEALTHY WORKPLACES AND COMMUNITIES; PROTECTED FROM ECONOMIC HARDSHIP WHEN INJURED ON THE JOB; RECEIVE WAGES AND OVERTIME PAY IN ACCORDANCE WITH THE ALASKA WAGE AND HOUR ACT.
 - Maintain the FY 00 levels of health and safety consultations at 328 visits per year, and training of employers and workers at 1,905 students per year.
 - Prioritize both assistance and compliance activities for high-hazard industries.
 - Increase utilization of the Fishermen's Fund through outreach to fishermen and providers.
 - Increase efforts to educate employers about child labor laws and prioritize child labor law enforcement to prevent employment of minors in hazardous occupations.
- 3) UTILIZE TECHNOLOGY TO IMPROVE SERVICE TO THE PUBLIC.
 - The Unemployment Insurance Appeals Tribunal provides due process hearings in contested unemployment insurance benefit and tax cases. We intend to implement Internet access to Commissioner and Lower Tribunal decisions to improve the quality and accessibility of Appeal Tribunal services.
 - Continue to increase the amount of demographic and labor market information available through the department's website.

Key Department Issues for FY2001 – 2002

The Workers' Compensation Division must address the backlog of hearings for workers' compensation claims and hearing Decisions and Orders, and the increased lag time between requests for hearings and scheduling of hearings.

The Alaska Occupational Safety and Health program will continue progress toward meeting objectives set out in the Annual Performance Plan and Five Year Strategic Plan approved by the Federal Occupational and Safety Health Administration.

Federal funding from the Bureau of Labor Statistics for basic labor market information is not anticipated to increase although the complexity and resulting workload of these statistical programs has grown significantly in recent years. Resources (funding, staff) available for specific research on Alaska's labor market are not sufficient to meet the continuing increase in requests for information.

The Denali Commission currently funds five major grants administered by the Division of Employment Security. These competitive grants provide a means for rural Alaskan communities and organizations to employ and train residents for infrastructure and economic development projects. For example, a grant may provide an apprenticeship program for asbestos workers, bricklayers, carpenters, cement masons, electricians, ironworkers and/or laborers. Approximately \$904.7 of FY 01 funding is available for appropriation in FY 02, and another \$2 million of new federal funds is anticipated to become available for FY 02 for grants and administrative costs.

Recognizing the lack of employment opportunities and jobs in rural Alaska we are using distance-spanning technology to make the state a smaller place for those seeking work and/or training, particularly rural Alaskans.

The department must continue providing employment services to an expanded customer base while federal Wagner-Peyser funding remains flat or decreases.

We will enhance the DOL Intranet site to create a comprehensive resource library for tools and references to increase the effectiveness of UI program staff.

There will be an approximate 25% increase in demand for Adult Basic Education (ABE) services due to the Alaska High School exit exam going into effect in 2002.

The new workers' safety and compensation administration account must be monitored to assure that there will be sufficient funding for the Division of Workers' Compensation and the Alaska Occupational Safety and Health agency during the transition period from general funds to the general program receipts funds provided by this account.

Recruitment and retention of boiler and pressure vessel inspectors continues to be a problem due to inequities in pay between plumbing inspectors and boiler and pressure vessel inspectors. Vacancies coupled with reduced funding have contributed to the significant backlog in boiler and pressure vessel inspections throughout the state.

Recruitment and retention of data processing staff continues as a critical problem. Projects will continue as prioritized but overall progress will be limited by available staff and their level of training and experience.

The department will utilize technology to maximize access to information and services provided for people with disabilities and to increase the efficiency of service delivery.

Major Department Accomplishments in 2000

Workers' Compensation investigations resulted in greater compliance by employers of insurance requirements, and consequently affected a 36% reduction of uninsured workplace injuries from 59 in FY1999 to 38 in FY2000.

Increased productivity has maintained consultation safety and health visits at nearly 340 visits for the year.

Compliance inspections performed by the Occupational Safety and Health component were maintained at near prior-year levels (482 in FY1999, 443 in FY2000), even though one safety enforcement position was deleted.

Over one million dollars was recovered for workers by the Wage and Hour component staff.

Through the Alaska Job Center Network, 8,496 job seekers entered employment (not including self-service clients), 2,833 clients received vocational counseling services, and 37,949 job openings were listed for Alaska employers.

The Labor Market Information (LMI) component's Internet site was ranked 2nd in the nation by the National Association of State Workforce Agencies. NASWA is a national organization of state administrators of unemployment insurance, employment and training services, and labor market information programs.

The Unemployment Insurance program has conducted customer surveys since the Fall of 1997. In FY2000, we've initiated an annual customer survey of Alaska's employers and we expanded another biannual customer survey to include interstate claimants.

Over 1,200 Alaskans earned a GED in full-time student status, and 984 ABE enrollees gained or advanced in employment. The 1999 statistics cannot be compared as the Workforce Investment Act has set new, different requirements.

The Vocational Rehabilitation program provided services that enabled 522 Alaskans with disabilities to obtain employment and earn an average of \$20,084 per year.

The annual review of monthly employment estimates compared to actual counts collected through the Unemployment Insurance program resulted in a revision of less than 0.1%.

The major data processing accomplishment of FY2000 was the successful resolution of Y2K problems and the final installation of the new Workers' Compensation system, a five-year project.

The department initiated an in-house program of staff training to take entry level data processing employees and train them to meet our data processing support needs. Employees are placed in flexibly classed positions and promoted as skills are mastered.

Key Performance Measures for FY2002

Measure: The number of work-related injuries in high-hazard industries, including seafood processing, logging and construction.

(Developed jointly with Legislature in FY2000.)

Current Status:

According to the most recent information available, in 1998 there were 10.8 lost-work-day (LWD) incidents per 100 full-time workers in logging (reduced from 16.4 in 1997), 6.1 per 100 in construction (5.7 in 1997), 19.1 per 100 in seafood processing (23.3 in 1997). LWD information for 1999 will be available December 12, 2000.

Benchmark:

Being developed.

Background and Strategies:

Inherently unsafe working conditions and settings, inclement weather and seasonal workers all contribute to high injury rates in these industries.

The department will increase routine enforcement inspections, give priority to requests by these industries for consultations, and increase safety and health training to employers and employees to reduce the injury rate.

Measure: Increase to 33% the number of registered clients who enter employment after receiving service through an Alaskan Job Center.

(Revised from Legislature's FY2002 version.)

Current Status:

For FY2000, 28.5 percent of served clients have entered employment.

Benchmark:

The benchmark was established at 29.4 % by averaging the last two completed fiscal years (1999 and 2000). This measure is economy driven which partly explains the drop in numbers in FY2000. The percentage was lower in

FY2000 (28.5%) than in FY1999 (30.3%), but making this a performance measure will result in our adopting new, additional strategies and applying further resources to the goal.

Background and Strategies:

Staff-assisted service is demonstrated to greatly increase the probability of a registered client entering employment. Emphasis will be placed on the following strategies:

- Staff-assisted job search support, such as referrals, resume writing, case management, interviewing techniques and other workshops and activities that will help clients enter employment;
- Record services provided in the statewide management information system;
- Outreach to employers; and
- Marketing services to communities.

Measure: The increase in wages of clients who are served by the Vocational Rehabilitation Division.

(Developed jointly with Legislature in FY2002.)

Current Status:

In FY2000, 522 Alaskans with disabilities were placed in jobs earning an average of \$20,084.

Benchmark:

The four-year average (FY95-FY98) earnings for individuals with disabilities who had successful vocational outcomes were \$17,700 per year.

Background and Strategies:

Individuals with disabilities continually encounter substantial barriers to employment. These barriers include the lack of accessible housing, accessible transportation, education and training opportunities, communication options e.g. reader services for blind individuals or sign language interpreters for deaf individuals, health services, assistive technology and devices, and others.

The employability of individuals must be increased through services that enable them to live independently, enjoy self-determination, make meaningful choices, contribute to society, pursue meaningful careers, and to be fully included in all aspects of society.

Strategies planned to increase the average wage will include:

- Training individuals with disabilities to pursue career opportunities rather than just entry level employment;
- Working with businesses and employers to create good jobs with good benefits for people with disabilities by supporting targeted local economic development projects; and
- Benefits counseling to people with disabilities on Social Security to get them into the workforce without losing health care benefits.

Measure: Increase the number of adults, impacted by the Western Alaska Fisheries disaster, who receive job training assistance.

(Not yet addressed by Legislature.)

Current Status:

In FY 2000, 250 participants in disaster areas were enrolled in dislocated worker services.

Benchmark:

The Balance of State Workforce Investment Board has negotiated a 65% entered employment rate for dislocated workers.

Background and Strategies:

A three-year cycle of disastrously low returns of salmon to the Western Alaska area has contributed to a significant downturn in the economy and widespread job loss in an area with some of the state's highest unemployment.

- The Alaska Human Resource Investment Council will pursue a policy in support of rural services through allocation of Workforce Investment Act statewide project funds.
- The Alaska Human Resource Investment Council will evaluate the Workforce Investment Act formula allocation for possible increases in financial resources for adults and dislocated workers in rural Alaska.
- The Balance of State Workforce Investment Board will allocate a greater portion of Workforce Investment Act resources to regions serving communities affected by the Western Alaska Fisheries Disaster.
- The Alaska Workforce Investment Office will seek appropriate financial and performance waivers from the U.S. Department of Labor to allow easier access to Workforce Investment Act resource in rural Alaska.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> • The percentage of employers who place orders with the Alaska Job Centers. • The numbers of work related injuries in high hazard industries, including seafood processing, logging and construction. • The increase in wages of clients who are served by the Vocational Rehabilitation Division. • Ensure demographic and economic data accuracy and availability. 		X	X		X

Department Budget Summary by BRU

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Employment Security	2,381.3	45,278.3	10,070.0	57,729.6	2,408.3	51,169.5	11,844.9	65,422.7	2,410.0	53,932.0	10,820.4	67,162.4
Administrative Services	1,056.0	6,288.3	2,927.0	10,271.3	1,295.4	7,455.1	3,528.4	12,278.9	1,315.5	7,674.1	3,849.1	12,838.7
Office of the Commissioner	705.7	9.7	107.9	823.3	723.4	80.9	498.8	1,303.1	725.6	80.5	500.0	1,306.1
Workers' Compensation	2,395.8	0.0	3,598.2	5,994.0	1,405.9	0.0	5,215.4	6,621.3	827.1	0.0	6,217.3	7,044.4
Labor Standards and Safety	3,758.8	1,732.2	426.4	5,917.4	3,312.6	1,815.7	972.7	6,101.0	3,038.8	1,852.3	1,273.0	6,164.1
Vocational Rehabilitation	3,977.4	13,609.9	1,086.9	18,674.2	4,016.2	17,414.9	921.6	22,352.7	4,020.3	18,716.9	1,186.7	23,923.9
Totals	14,275.0	66,918.4	18,216.4	99,409.8	13,161.8	77,936.1	22,981.8	114,079.7	12,337.3	82,255.8	23,846.5	118,439.6

Funding Source Summary*All dollars in thousands*

Funding Sources	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
1002 Federal Receipts	66,918.4	77,936.1	82,255.8
1003 General Fund Match	3,748.1	3,262.4	3,155.4
1004 General Fund Receipts	9,674.3	8,867.5	8,227.2
1005 General Fund/Program Receipts	852.6	941.1	954.7
1007 Inter-Agency Receipts	9,726.7	11,313.1	10,643.7
1031 Second Injury Fund Reserve Account	2,852.8	2,857.8	3,173.8
1032 Disabled Fishermans Reserve Account	702.3	1,306.7	1,307.8
1049 Training and Building Fund	570.0	581.7	582.6
1053 Investment Loss Trust Fund		90.8	
1054 State Employment & Training Program	4,002.1	4,553.8	4,560.1
1061 Capital Improvement Project Receipts			75.0
1108 Statutory Designated Program Receipts	190.6	653.7	638.5
1117 Vocational Rehabilitation Small Business Enterprise Fund	171.9	215.0	365.0
1157 Workers Safety and Compensation Administration Account		1,500.0	2,500.0
Totals	99,409.8	114,079.7	118,439.6

Position Summary

Funding Sources	FY2001 Authorized	FY2002 Governor
Permanent Full Time	748	793
Permanent Part Time	93	70
Non Permanent	45	10
Totals	886	873

FY2002 Capital Budget Request

Project Title	General Funds	Federal Funds	Other Funds	Total Funds
Home Modifications for Individuals with Disabilities	0	0	150,000	150,000
Assistive Technology Loan Fund	100,000	0	0	100,000
Department Total	100,000	0	150,000	250,000

This is an appropriation level summary only. For allocations and the full project details see the capital budget.

Overview of Departmental Budget Changes

EMPLOYMENT SECURITY

This BRU assesses and collects Unemployment Insurance (UI) tax, pays UI benefits, provides labor exchange services and provides access to state and employer sponsored training.

Services Changes:

The Employment Service Component will implement an online client self-registration and self-referral service.

The Job Training Programs Component will implement a management information system for increased oversight and monitoring of performance standards.

The Adult Basic Education Component will implement and focus on the new GED test beginning January 2002.

The Unemployment Insurance Component will expand regularly scheduled surveys of employers and conduct surveys of internal customers to enhance technical services.

ADMINISTRATIVE SERVICES

The BRU provides fiscal and personnel management; fund accounting; administrative services; employment, wage, population, demographic and economic information; and data processing support.

Service Changes:

Begin developing monthly seafood harvesting employment estimates, as well as researching methodologies to produce actual counts of seafood harvesting employment and earnings.

Develop a program for the annual creation of community level economic indicators. The indicators will be used to develop two products.

1. Funding allocation models for communities in economic distress
2. Analysis of each community potentially targeted for economic distress assistance

OFFICE OF THE COMMISSIONER

This BRU provides direction in the administration of the department's programs and facilitates the resolution of disputes between organized labor and public employers.

WORKERS' COMPENSATION

The BRU administers the state's Workers' Compensation Act, the Fishermen's Fund and the Second Injury Fund to aid Alaskans with employment related injuries and illnesses.

Service Changes:

This BRU intends to increase overall effectiveness, industry awareness and the level of services, and number of hearings, as well as the number of uninsured employer investigations.

LABOR STANDARDS AND SAFETY

This BRU provides assistance and oversight relating to the laws governing employment practices and occupational safety and health; training, licensing or certification, and enforcement of various construction contractors, electrical and mechanical administrators, electricians, plumbers, blasters and individuals who work with toxic or hazardous substances.

Service Changes:

The Occupational Safety and Health section will expand the consultative special intervention program for high incident rate employers to reduce the risk of injury to employees.

VOCATIONAL REHABILITATION

The BRU assists individuals with disabilities to overcome barriers to employment and encourage independence and integration into their community.

Service Changes:

Changes in funding/service levels include additional federal funds for two projects:

- 1) Alaska Work Incentives Project to enhance the employment and career advancement opportunities of people with disabilities through expanded service delivery in the One-stop System; and
- 2) Access to Alaska Project designed to ensure that Alaska's tourism industry focuses on the requirements of the Americans with Disabilities Act.

An increase in the authority for the Business Enterprise Program funds is budgeted in anticipation of a contract with Ft. Wainwright to operate the food services on the base.

Summary of Department Budget Changes by BRU

From FY2001 Authorized to FY2002 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	13,161.8	77,936.1	22,981.8	114,079.7
Adjustments which will continue current level of service:				
-Employment Security	1.7	-4.2	-2.9	-5.4
-Administrative Services	20.1	0.4	5.8	26.3
-Office of the Commissioner	2.2	-0.4	1.2	3.0
-Workers' Compensation	-678.8	0.0	683.3	4.5
-Labor Standards and Safety	-301.5	-4.9	300.3	-6.1
-Vocational Rehabilitation	5.0	-6.4	-1.3	-2.7
Proposed budget decreases:				
-Employment Security	0.0	-198.7	-1,021.6	-1,220.3
-Administrative Services	0.0	-89.2	-31.2	-120.4
-Vocational Rehabilitation	-0.9	0.0	0.1	-0.8
Proposed budget increases:				
-Employment Security	0.0	2,965.4	0.0	2,965.4
-Administrative Services	0.0	307.8	346.1	653.9
-Workers' Compensation	100.0	0.0	318.6	418.6
-Labor Standards and Safety	27.7	41.5	0.0	69.2
-Vocational Rehabilitation	0.0	1,308.4	266.3	1,574.7
FY2002 Governor	12,337.3	82,255.8	23,846.5	118,439.6

Employment Security Budget Request Unit

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BRU Mission

The mission of the Division of Employment Security is to assist in easing the negative effects that involuntary unemployment has on Alaska's wage earners and society and to assist unemployed wage earners to find employment.

BRU Services Provided

Several programs comprise the Employment Security Division (ESD) or BRU.

- 1) The Employment Service (ES) program provides labor exchange services for all Alaskans, matching job seekers with employers. The Vocational Counseling program prepares job seekers for employment and the Seafood Unit works with employers to promote job placement and skill development for Alaskan workers in the seafood industry. Work Services provides a specialized labor exchange and case management services for recipients of both the Alaska Temporary Assistance Program (ATAP) and food stamps in order to place them in unsubsidized employment.
- 2) The Job Training (JT) programs are responsible for planning, administration and grant management for the following federal programs: Workforce Investment Act of 1998 (WIA) Title I, Welfare-to-Work (WtW) grants under the Balanced Budget Act of 1997 and the closeout of the Job Training Partnership Act (JTPA). The JT programs also administer and manage the State Training Employment Program (STEP).
- 3) Through grantees, Adult Basic Education (ABE) provides instruction in the basic skills of reading, writing, mathematics, and General Educational Development (GED) preparation and testing with emphasis on practical life skills and integrating workplace readiness skills into instruction.
- 4) The Unemployment Insurance (UI) program assesses and collects employer contributions for deposit into the UI Trust Fund and pays UI benefits to workers who are temporarily unemployed.

BRU Goals and Strategies

- 1) ESD has adopted the Alaska Job Center Network (AJCN) goal of sharing costs in all common areas in each AJCN office. We will develop cost sharing and allocation agreements with partners to improve staffing and maintenance of offices.
- 2) ESD has the responsibility of placing unemployed workers in new jobs prior to their having exhausted their UI benefits. We will design and implement enhancements to the Worker Profiling and Reemployment Services (WPRS) program that schedules and tracks clients.
- 3) ESD has a major role in implementing the Workforce Investment Act of 1988 (WIA). We will work with Local Advisory Councils (LAC) as key participating and planning partners for local service delivery.
- 4) ESD has a role in ensuring the success of the Alaska Human Resources Investment Council (AHRIC) as well as Local Workforce Investment Boards (LWIB). We will provide technical assistance to the Alaska Human Resources Investment Council (AHRIC), Local Workforce Investment Boards (LWIB), and other state and local agencies and contractors.
- 5) ESD will maximize the use of State Employment and Training Program (STEP) funds for training Alaskans. We are committed to getting STEP funds out as early as possible to enable grantees to have a full year to realize their goals.

- 6) ESD will improve on the outcomes of the Adult Basic Education (ABE) program. We will increase the number from the FY2001 level of adult learners who obtain a GED and who transition into higher education or vocational training.
- 7) ESD is committing time and resources towards the improvement of the overall management of the programs for which it is responsible. We will improve the overall management of the division by integrating into daily operations the Baldrige performance criteria for excellence.
- 8) ESD will make some policy changes concerning program delivery based on customer feedback. We will continue focus on customers through surveys and feedback to gain input for improvement of operations and service delivery.
- 9) ESD will update and improve the UI Tax computer system and make it compatible with the UI system. We will continue the multi-year capital improvement project to redesign the UI Tax system to enhance timeliness and accuracy of employer account maintenance.
- 10) ESD will attempt to overcome the problems associated with the dwindling budget for the Wagner-Peyser employment services programs. We will explore alternative funding strategies to maintain levels of service to offset the flat funding of the Wagner-Peyser grant.

Key BRU Issues for FY2001 – 2002

- 1) ESD will be faced with replacement of obsolete computers in the resource rooms, which were originally purchased with the One-Stop implementation grant.
- 2) ESD must continue providing employment services to an increased customer base while the Wagner-Peyser grant remains flat or decreases.
- 3) ESD must implement the Workforce Investment Act of 1998 while closing out the JTPA programs.
- 4) ESD will put into production the Management Information System (MIS) for both case management and federal performance reports in time to respond to federal reporting requirements.
- 5) ESD will implement a new GED Test on January 1, 2002.

Major BRU Accomplishments for FY2000

- 1) Employment Services Component
 - Excluding self-service customers, 8,496 job seekers entered employment through staff efforts.
 - Provided vocational counseling services to 2,833 customers, annually averaging 177 customers per employment counselor.
 - Provided listings of 37,949 job openings for Alaska employers.
 - Coordinated with AJCN partners to deliver employment and training services and resources through the one-stop system.
- 2) Job Training Programs Component
 - Negotiated, awarded and administered over \$11 million in JTPA and Welfare to Work (WtW) funds, and over \$3.3 million in STEP financial assistance agreements.
 - Completed plans for the early implementation of the Workforce Investment Act youth program and awarded \$2.7 million in financial assistance agreements.
 - Improved performance in the STEP in four key areas that are fully described in the annual STEP report.

3) Adult Basic Education Component

- 5,400 full-time adult learners were served through ABE programs:

2,300 completed an educational level

1,200 received a GED

984 gained or advanced in employment, and

541 entered other academic or vocational programs

- A major new GED Testing Center opened in Anchorage.

4) Unemployment Insurance Component

- Paid out \$118.7 million in unemployment benefits to 57,193 insured workers.
- Collected \$124 million in taxes and deposited them into the UI Trust Fund.
- Legislation passed that allows for the levy of the Permanent Fund Dividend to offset debt to the UI Trust Fund.
- Initiated an annual customer survey of Alaska's employers and expanded another biannual customer survey to include interstate claimants.

Employment Security
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Employment Services	0.0	10,578.3	1,473.5	12,051.8	0.0	12,494.7	1,977.2	14,471.9	135.0	13,002.7	3,564.7	16,702.4
Unemployment Insurance	0.0	16,061.1	294.0	16,355.1	0.0	17,766.1	350.1	18,116.2	0.0	17,616.5	451.4	18,067.9
Job Training Programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	537.4	22,450.6	6,804.3	29,792.3
Work Services	129.8	0.0	1,342.3	1,472.1	133.8	0.0	1,623.7	1,757.5	0.0	0.0	0.0	0.0
Job Training Partnership Act	26.5	9,096.6	221.4	9,344.5	70.5	11,533.1	58.1	11,661.7	0.0	0.0	0.0	0.0
Statewide Service Delivery	457.6	6,840.6	2,736.7	10,034.9	466.5	8,723.2	3,282.0	12,471.7	0.0	0.0	0.0	0.0
One Stop	0.0	1,053.2	0.0	1,053.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
State Training Employment Prog	0.0	0.0	4,002.1	4,002.1	0.0	0.0	4,553.8	4,553.8	0.0	0.0	0.0	0.0
Adult Basic Education	1,736.8	542.5	0.0	2,279.3	1,737.5	652.4	0.0	2,389.9	1,737.6	862.2	0.0	2,599.8
Comm Dev Assist	30.6	1,106.0	0.0	1,136.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Totals	2,381.3	45,278.3	10,070.0	57,729.6	2,408.3	51,169.5	11,844.9	65,422.7	2,410.0	53,932.0	10,820.4	67,162.4

Employment Security**Proposed Changes in Levels of Service for FY2002**

- 1) Employment Service Component
 - Implementation of online client self-registration and self-referral services.
- 2) Job Training Programs Component
 - Full implementation of a management information system for increased oversight and monitoring of performance standards.
- 3) Adult Basic Education Component
 - Implementation and focus on the new GED test beginning January 2002.
- 4) Unemployment Insurance Component
 - Expand regularly scheduled surveys of employers and conduct surveys of internal customers to enhance technical services.

Employment Security**Summary of BRU Budget Changes by Component****From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	2,408.3	51,169.5	11,844.9	65,422.7
Adjustments which will continue current level of service:				
-Employment Services	135.0	508.0	1,587.5	2,230.5
-Unemployment Insurance	0.0	-149.6	101.3	-48.3
-Job Training Programs	537.4	22,649.2	7,825.9	31,012.5
-Work Services	-133.8	0.0	-1,623.7	-1,757.5
-Job Training Partnership Act	-70.5	-14,437.8	-58.1	-14,566.4
-Statewide Service Delivery	-466.5	-8,723.2	-3,282.0	-12,471.7
-State Training Employment Prog	0.0	0.0	-4,553.8	-4,553.8
-Adult Basic Education	0.1	149.2	0.0	149.3
Proposed budget decreases:				
-Job Training Programs	0.0	-198.6	-1,021.6	-1,220.2
-Adult Basic Education	0.0	-0.1	0.0	-0.1
Proposed budget increases:				
-Job Training Partnership Act	0.0	2,904.7	0.0	2,904.7
-Adult Basic Education	0.0	60.7	0.0	60.7
FY2002 Governor	2,410.0	53,932.0	10,820.4	67,162.4

Component: Employment Services

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Component Mission

To foster and promote the welfare of Alaska wage earners by operating a statewide public labor exchange and to provide specialized services for Alaska Temporary Assistance Program (ATAP) and food stamp recipients to help them get full-time paid employment.

Note: Due to similar missions and to increase administrative efficiencies, the Work Services component was consolidated into this component. This is a change from the Department's Fiscal Year 2001 budget.

Component Services Provided

All the services are related to labor exchange and employment assistance.

- 1) The Wagner-Peyser Act and the Workforce Investment Act (WIA) of 1998 mandate that the Employment Security Division (ESD) provide employment services to Alaska's universal population - all employers, workers, and job seekers. This mandate offers the state's largest public labor exchange for employers and job seekers including the following services:
 - List vacancies for employers (job orders).
 - Connect qualified job seekers with employer vacancies.
 - Furnish interview facilities.
 - Provide reemployment services to Unemployment Insurance (UI) clients, dislocated workers, and veterans.
- 2) Offer initial information and resources that permit job seekers to decide if they are ready for work or if they need other services such as counseling, training, or unemployment insurance. Job listings allow job seekers to self-screen by providing sufficient job requirements and most allow qualified applicants to self-refer by providing the employers' contact instructions. In each Alaska Job Center Network (AJCN) one-stop office, Wagner-Peyser and WIA provide for delivery of the following employment services:
 - Assist employers in recruiting and identifying applicants.
 - Update businesses with current information on wages, worker availability and labor market conditions.
 - Advise employers on legal hiring, interviewing and employment practices.
 - Greet job seekers and guide them to appropriate services including training, vocational counseling or other public or private services such as public assistance and vocational rehabilitation.
 - Refer job seekers to job interviews.
 - Provide public resource areas, equipment and labor market information.
 - Present skill-building workshops on work search and interviewing techniques, resume' writing, and completing applications.
 - Assist Alaska businesses to retain and re-train valuable incumbent workers.
- 3) Specialized labor exchange and case management services are provided to recipients of ATAP benefits and food stamps in order to transition them to, and place them in, unsubsidized employment. In a unique partnership, the Departments of Labor and Workforce Development (DOL) and Health and Social Services (H&SS) jointly staff and provide services in Anchorage, Fairbanks, Kenai, Ketchikan, Juneau and Mat-Su. Services provided by DOL staff include:
 - Employability assessment and testing.
 - Employment counseling and planning.
 - Job search, development, referral and placement.
 - Case management.

- Referral to training, adult basic education and work experience activities, and supportive services such as transportation and child care.
 - Develop job openings for public assistance clients and market the benefits of hiring ATAP clients to employers.
- 4) Fulfill the required work test for UI claimants to establish their availability for work.
- Assess the employability of profiled UI clients.
 - Determine which reemployment services will best prepare profiled clients to return to suitable work as soon as possible.
 - Schedule and follow up on reemployment services progress.
- 5) Vocational Counseling Program: vocational counselors provide comprehensive counseling and assessment services with staff located in Anchorage, Fairbanks, Juneau, Kenai, Ketchikan, Mat-Su, and Nome. Scheduled itinerant counseling is provided to the Bethel, Dillingham, Glennallen, Homer, Kodiak, Kotzebue, Petersburg, Seward, Sitka, Tok, Valdez one-stop offices and to rural villages in the Fairbanks area, i.e., Nulato, Mentasta, Minto, Circle, Healy, Delta Junction, Barrow, Fort Yukon, Tanacross, Northway, Kaltag, and Galena. Services include:
- Assistance with work-related choice, change or adjustment; handling stress due to job loss; awareness of employer expectations; work ethics; and job search skills training.
 - Assessments of applicants' abilities, interests, personality traits, transferable skills, literacy skills, and work values.
 - Completion of an employment plan and, based upon plan steps, assisting clients to achieve employment goals through job placement, job development, job search skills training, referral for services, and/or formal training.
 - Intensive follow-up support is available.
- 6) Special Initiatives - Seafood Employment:
- Work with employers to promote job placement and skill development for Alaskan workers in the seafood industry.
 - Provide group orientations for applicants.
 - Screen applicants according to employer criteria.
 - List job openings, advertise and participate in recruitment and job fair activities.
 - Promote seafood jobs as a positive option for public assistance recipients.
 - Continue expanding means to efficiently move experienced workers from one processing site to another as demand shifts from species to species, fishing ground to fishing ground.
- 7) Administer employment and training programs made possible by specific federal appropriations.
- Priority service to veterans through the Disabled Veterans' Outreach Program and the Local Veterans' Employment Representatives program.
 - Foreign Labor Certification.
 - Trade Adjustment Assistance (TAA).
 - North American Free Trade Agreement--Transitional Adjustment Assistance (NAFTA--TAA).
 - Transitional Readjustment Allowances (TRA) for the long-term unemployed.
 - Worker Profiling and Unemployment Insurance Reemployment Services.
 - Work Opportunity Tax Credits (WOTC) and Welfare-to-Work (WtW).
- 8) Offer comprehensive case management services to public assistance welfare-to-work recipients in rural or isolated communities in Glennallen, Homer, Kodiak, Nome, Tok, and Valdez job centers through reimbursable service agreements with the DHSS, Division of Public Assistance (DPA).

Component Goals and Strategies

- 1) Increase usability and visibility of services to our customers.

Employers:

- Market employment services to employers and promote the benefits of using them.
- Coordinate with employers to form strong Local Advisory Councils (LAC) as required by the Workforce Investment Act (WIA) and state legislation (HB40) that consolidated several state programs.
- Provide employers the ability to post job orders directly to Alaska's Job Bank through DOL mainframe computer via Internet.
- Market to employers the benefits of and resources for incumbent worker and retraining services.
- Develop customer survey to gauge employer satisfaction and improve services.

Job Seekers:

- Increase employment services available to all Alaskans via Internet.
 - Offer job seekers the opportunity to self-register via the Internet.
 - Deliver employment services on three levels: self-service; group orientations and workshops; and, one-on-one assistance to accommodate the needs and preferences of all job seekers.
 - Continue and improve priority service and placement to veterans.
 - Develop customer survey to gauge job seeker satisfaction and continuously improve services.
- 2) ES will assist DPA in moving clients off of public assistance into jobs. ES will provide intensive employment services to public assistance clients in a combined effort with Division of Public Assistance (DPA) to move clients off of public assistance and into the workforce. The Department of Health and Social Services, DPA, through a Reimbursable Services Agreement (RSA), determines the specific goals and strategies.
 - 3) ES will play an important role in insuring the success of AJCN offices and assist in apportioning the costs of the common use areas. We will develop cost sharing and allocation agreements with partners for improving, staffing and maintaining efficiency of one-stops. Work with Local Advisory Councils (LACs), Local Workforce Investment Boards (LWIBs) and State Workforce Investment Board (SWIB) to certify each of the 22 AJCN offices as a full service, satellite or affiliate one-stop center.
 - 4) ES is committed to making the Workforce Investment Act successful for Alaskans. We will work with LWIBs and LACs as a key participant and planning partner for local service delivery in the workforce development plan.
 - 5) ES has the responsibility for maintaining the same level of services with flat funded grants. We will explore alternative funding strategies to maintain levels of service, as federal participation remains flat. Apply for grants that will pay for specific services.
 - 6) Meet or exceed U.S. Department of Labor Veterans' performance standards. Strive to achieve or exceed the federal standard of referrals and services to veterans, acknowledging that many veterans have the technology skills to use self-service tools.
 - 7) ES has key responsibility in moving job seekers off of UI benefits and back into new jobs. ES will enhance the Worker Profiling and Reemployment Services (WPRS) program client scheduling and tracking system.
 - 8) ES is committed to improving their management system. We will integrate Malcolm Baldrige strategic management plan into administration and management of employment services programs.

Key Component Issues for FY2001 – 2002

- 1) Continue providing employment services to an expanded customer base while Wagner-Peyser funding remains flat or decreases.
- 2) Overcome the substantial barriers to employment for Public Assistance clients.
- 3) Address the lack of employment opportunities in rural areas.
- 4) Continue efforts to secure additional funding to increase field office hours of operation.
- 5) Fund replacement of the three-year-old computers that were originally placed in the AJCN one-stop office resource rooms by the one-stop implementation grant.

Major Component Accomplishments for FY2000

- 1) Employers chose to use department services to list 37,949 job openings.
- 2) Having received employment services through our Alaska Job Center Network, 8,496 job seekers entered employment (not including self-service clients).
- 3) Expanded availability and access to services in all areas of Alaska by enhanced use of Internet technology.
- 4) Integrated Alaska's Job Bank with the nationwide America's Job Bank to ensure universal availability of core employment services.
- 5) Added links and functions to employer Internet web sites to provide current information and an interactive job order form for ease of use by employers. .
- 6) Provided grants to place 18 Internet connected workstations in Alaska Native Coalition for Employment and Training (ANCET) sites, and 2 workstations in Southeast Regional Resource Center (SERRC) sites outside of the job centers, including in Anchorage, Bethel, Craig, Dillingham, Fairbanks, Fort Yukon, Juneau, Kodiak, Metlakatla, Selawik, and Wainwright.
- 7) Equipped self-service public resource areas in all 22 one-stops with personal computers, printers, copiers, and fax machines.
- 8) Coordinated with one-stop partners to deliver employment and training services and resources through Alaska's one-stop system, as prescribed in the WIA and state legislation (HB40).
- 9) Met or exceeded U.S. Department of Labor veterans standards for referrals and services.
- 10) Offered vocational counseling services to 2,833 customers, averaging 177 per counselor annually.
- 11) Processed 358 requests for Trade Adjustment Assistance (TAA) determinations and approved 205 requests for training, job search allowances, and relocation allowances for Alaskans who lost work and qualified for TAA.
- 12) Processed 53 NAFTA determinations and approved 22 requests for training, job search allowances, and relocation allowances for Alaskans who lost work and qualified for NAFTA--TAA.
- 13) Allocated \$835,487 of Trade Readjustment Allowance (TRA) payments to qualified Alaskans, representing 3,161 weeks of benefits.
- 14) Processed 1,048 Work Opportunity Tax Credit applications of which 664 were certified, the remainder not meeting eligibility criteria.

Statutory and Regulatory Authority

- 1) Federal
 - Social Security Act
 - Wagner-Peyser Act
 - Workforce Investment Act of 1998
 - Trade Act of 1974
 - North American Free Trade Agreement of 1993
 - Ticket to Work and Work Incentives Improvement Act of 1999
 - 7 CFR 273.7
 - 20 CFR Chapter V
- 2) State
 - AS 23.20
 - AS 47.27.035
 - 8 AAC 85

Key Performance Measures for FY2002

Measure: Increase to 33 percent the number of registered clients who enter employment after receiving service through an Alaska Job Center.
(Not yet addressed by Legislature.)

Current Status:

For FY2000, 28.5 percent of served clients have entered employment.

Benchmark:

The benchmark was established at 29.4 percent by averaging the last two completed fiscal years (1999 and 2000). This measure is economy driven which partly explains the drop in numbers in FY2000. The percentage was lower in FY00 (28.5%) than in FY99 (30.3%), but making this a performance measure will result in our adopting new, additional strategies and applying further resources to the goal.

Background and Strategies:

Staff-assisted service is demonstrated to greatly increase the probability of a registered client entering employment. Emphasis will be placed on the following strategies:

1. Provision of staff-assisted job search support, such as referrals, resume writing, case management, interviewing techniques and other workshops and activities that will help clients enter employment;
2. Tracking of services provided in the statewide management information system;
3. Outreach to employers; and
4. Marketing services to communities.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> • Increase to 26 percent the number of employers with an active employer tax account who place job orders with the Alaska Job Centers. 				X	

Employment Services

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	8,485.8	8,799.0	10,092.6
72000 Travel	301.7	206.9	332.0
73000 Contractual	1,750.9	2,756.0	3,108.7
74000 Supplies	222.3	200.0	229.4
75000 Equipment	270.9	220.0	285.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	1,020.2	2,290.0	2,654.7
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	12,051.8	14,471.9	16,702.4
Funding Sources:			
1002 Federal Receipts	10,578.3	12,494.7	13,002.7
1003 General Fund Match	0.0	0.0	135.0
1004 General Fund Receipts	0.0	0.0	0.0
1007 Inter-Agency Receipts	719.0	967.7	2,553.8
1049 Training and Building Fund	570.0	581.7	582.6
1108 Statutory Designated Program Receipts	184.5	427.8	428.3
Funding Totals	12,051.8	14,471.9	16,702.4

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Training & Building Fund	51155	570.0	581.7	581.7	582.6	582.6
Unrestricted Total		570.0	581.7	581.7	582.6	582.6
Restricted Revenues						
Federal Receipts	51010	10,578.3	12,494.7	13,494.7	13,002.7	13,000.3
Interagency Receipts	51015	719.0	967.7	827.7	2,553.8	2,553.8
Statutory Designated Program Receipts	51063	184.5	427.8	427.8	428.3	428.3
Restricted Total		11,481.8	13,890.2	14,750.2	15,984.8	15,982.4
Total Estimated Revenues		12,051.8	14,471.9	15,331.9	16,567.4	16,565.0

Employment Services**Proposed Changes in Levels of Service for FY2002**

Implementation of online client self-registration and self-referral services.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	12,494.7	1,977.2	14,471.9
Adjustments which will continue current level of service:				
-Transfer two full-time PCN's 07-5831 and 07-5896 from ES to UI to reflect actual funding	0.0	-94.4	0.0	-94.4
-Transfer federal authorization from Employment Services to JTPA for Denali Commission	0.0	-400.0	0.0	-400.0
-Transfer interagency receipts from Job Training Programs to Employment Services	0.0	0.0	100.0	100.0
-Transfer federal authority from Statewide Service Delivery to Employment Services - RP 0714005	0.0	1,000.0	0.0	1,000.0
-Transfer funding and positions from Work Services to Employment Services component	133.8	0.0	1,623.7	1,757.5
-Transfer I/A receipts from Employment Services to Job Training Partnership Act - RP 0714005	0.0	0.0	-100.0	-100.0
-Transfer I/A receipts from Employment Services to Statewide Service Delivery - RP 0714005	0.0	0.0	-40.0	-40.0
-Year 2 Labor Costs - Net Change from FY2001	1.2	2.4	3.8	7.4
FY2002 Governor	135.0	13,002.7	3,564.7	16,702.4

Employment Services**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	127	154	Annual Salaries	7,713,066
Part-time	25	25	COLA	107,029
Nonpermanent	6	0	Premium Pay	0
			Annual Benefits	2,693,888
			<i>Less 4.01% Vacancy Factor</i>	(421,383)
			Lump Sum Premium Pay	0
Totals	158	179	Total Personal Services	10,092,600

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech II	0	0	2	0	2
Accounting Tech III	0	0	1	0	1
Administrative Assistant	1	1	2	0	4
Administrative Clerk I	1	1	1	0	3
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	0	0	2	0	2
Administrative Manager IV	0	0	1	0	1
Asst Dir Employ Security	0	0	1	0	1
Dep Dir ESD	0	0	1	0	1
Division Director	0	0	1	0	1
Employ Counselor I	0	2	0	0	2
Employ Counselor II	6	0	2	7	15
Employ Counselor III	0	0	1	0	1
Employ Sec Analyst I	0	0	1	0	1
Employ Sec Analyst II	0	0	6	0	6
Employ Sec Analyst III	0	0	7	0	7
Employ Sec Spec IB	42	14	8	29	93
Employ Sec Spec II	0	0	1	1	2
Employ Sec Spec III	3	2	0	0	5
Employ Sec Spec IV	1	1	0	0	2
Employment Service Manager II	0	0	0	2	2
Employment Service Mgr I	0	0	0	10	10
Employment Service Mgr III	0	0	1	2	3
Employment Service Mgr IV	1	1	0	0	2
Micro/Network Tech I	1	0	0	0	1
Prog Coordinator	0	0	4	0	4
Program Budget Analyst III	0	0	1	0	1
Program Services Aide	1	0	0	0	1
Project Coord	1	0	0	0	1
Project Coordinator	1	0	0	0	1
Secretary	0	0	1	0	1
Spec Asst To The Comm I	0	0	1	0	1
Totals	60	22	46	51	179

Component: Unemployment Insurance

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Component Mission

To alleviate the hardships that result from loss of wages during periods of involuntary unemployment, and to stabilize local economies and workforce during periods of economic downturn.

Component Services Provided

- 1) Benefit payments:
 - Provide partial income replacement to insured workers during periods of unemployment.
 - Provide a convenient and efficient means for clients to apply for Unemployment Insurance (UI) benefits.
 - Provide due process rights when determining program eligibility and appoint an independent tribunal to hear and decide appeals of eligibility determinations.
 - Secure Federal Unemployment Tax Act (FUTA) credits for Alaskan employers by remaining in compliance with federal law. Employers receive credit allowances against the federal unemployment tax only for contributions paid into an approved state unemployment fund.
 - Reduce the duration of unemployment benefits claimed by accurately registering workers in a job matching system and enforcing participation in reemployment services to return displaced Alaskan workers to employment.
- 2) Revenue Collection:
 - Classify employers who may be required to contribute to the Alaska UI Trust fund and determine employer tax rates under a statutory based experience rating system.
 - Receive contributions from employers for the payment of unemployment benefits, maintain accounting records of all contributions submitted by employers and deposit contributions into the Alaska UI Trust fund as required by state and federal statutes.
 - Apply statutory liens, levies and judgements when employers do not comply with state law.
 - Ensure the review of the revenue generating mechanism to maintain the trust fund solvency.
 - Work with and train employers on how to meet the UI tax requirements.
- 3) Program Integrity:
 - Protect the UI Trust Fund by preventing, discouraging, detecting and recovering UI benefit overpayments and by conducting employer and wage audits.
 - Investigate fraud referrals from UI call centers and cross match audits, issue administrative fraud determinations, and prepare fraud cases for state criminal prosecution.
 - Manage overpayment recovery activities and maintain overpayment records.

Component Goals and Strategies

- 1) Improve delivery of unemployment insurance services through renewed emphasis on continuous improvement and staff development.
 - Participate in development of strategic plan for Employment Security Division based on self-assessment using Baldrige Criteria for Performance Excellence.
- 2) Enhance program performance by providing staff with improvement tools.

- Create, gather and organize program information for distribution through the Intranet to create an environment that promotes the sharing of knowledge and information.
- 3) Redesign of Tax System
- As in FY2001, continue multi-year capital improvement project to replace obsolete Tax computer system to enhance timeliness and accuracy of employer account maintenance and management.
- 4) Monitor employers' compliance with Federal and State tax mandates.
- As in FY2001, continue customer outreach programs, employer workshops, quarterly newsletters and expansion of Internet site to assist in proper reporting and compliance with contribution requirements.
- 5) Focus on the needs of all customers, both external and internal, to gain input for process and service delivery improvements.
- Continue semi-annual claimant and annual employer surveys.
 - Solicit internal customer feedback for improved delivery of services.
 - Pilot a program to collect, aggregate and track customer feedback.

Key Component Issues for FY2001 – 2002

- 1) Improve employee development by implementing a comprehensive training program aimed at increasing their program knowledge.
- 2) Selection of a contractor within prescribed budget constraints for tax system redesign project.
- 3) Improving the timeliness of Alaska's data and wage information transfer to meet the required timeframes to reimburse and bill participant states.
- 4) Increasing recovery of fraud and non-fraud overpayments from claimants residing outside Alaska.

Major Component Accomplishments for FY2000

- 1) Unemployment Insurance benefits totaling \$118,749,017 were paid to 57,193 insured workers.
- 2) Maintained the solvency of the Alaska UI Trust Fund:
 - Over 65,000 contribution reports processed annually from employers.
 - \$123,982,411 deposited to the UI Trust Fund.
- 3) Significantly reduced response time of customer service representatives by restructuring the Automated Call Distribution systems used by the UI Call Centers.
- 4) Secured legislation that allows the Department of Labor and Workforce Development to levy Alaska Permanent Fund dividends to recover fraud and non-fraud overpayments.
- 5) \$1,916,054 collected in benefit overpayments through offset of benefits and cash collections.
- 6) Secured legislation amending the Employment Security Act to waive availability requirements for individuals who attend training under the Workforce Investment Act. The new legislation also expands the definition of misconduct and changed the definition of the benefit year.
- 7) Over \$393,873 was refunded to Alaskan employers who overpaid taxes.
- 8) Provided claims taking/adjudication staff with an Intranet system of electronic forms to improve quality and efficiency.
- 9) Adopted the federally mandated North American Industry Classification System for statistical purposes.
- 10) Initiated an annual customer survey of Alaska's employers and expanded another biannual customer survey to include interstate claimants.
- 11) \$3.8 million was collected and deposited into the State Training Employment Program Account.

Statutory and Regulatory Authority

- 1) Federal
 - Federal/State Extended Unemployment Compensation Act
 - 5 U.S.C. Sec. 8501-8525
 - Federal Unemployment Tax Act
 - Social Security Act: Titles III, IX, XI, and XII
- 2) State
 - AS 23.20
 - 8 AAC 85

Key Performance Measures for FY2002

Measure: Maintain or exceed the benchmark of 95 percent timeliness of the first payment to unemployment insurance claimants.

(Revised from Legislature's FY2001 version.)

Current Status:

In FY2000, 97 percent of first payments were issued within 35 days following the end of the first compensable week.

Benchmark:

The federal performance measure is prompt payment of unemployment insurance (UI) benefits, with 93 percent of first payments issued within 35 days following the end of the first compensable week. In FY2002, the benchmark is being raised to 95 percent.

Background and Strategies:

To monitor the promptness of UI benefit payments, first payment time lapse measures the number of days from the week ending date of the first compensable week in the benefit year to the date the payment is made. This includes payments made by direct deposit, mail and in-person or those used to offset prior overpayments.

Strategies planned to ensure first payment timeliness include:

- Continue development of UI Intranet to improve resources used by front line staff.
- Enhance technology to improve timeliness of data transfer for ex-service members.
- Expedite electronic out-of-state wage information requests and transfers to facilitate timely payment of benefits.

Measure: Maintain or exceed the level of customer satisfaction, with 90 percent of survey respondents rating overall service as adequate or better.

(Not yet addressed by Legislature.)

Current Status:

Conducted in June 2000, the most recent survey of claimants resulted in 98 percent responding that overall service was adequate or better.

Benchmark:

Being developed.

Background and Strategies:

Randomly survey unemployment insurance claimants to monitor satisfaction with benefits program and services received.

Strategies planned to ensure high level of customer satisfaction include:

- Continue biannual customer satisfaction survey to measure level of service and to explore avenues for expansion of services.
- Provide "Customer Service in a Telephonic Environment" training for front line staff and reduce Customer Service Representative response time in providing telephonic service to claimants.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> • Maintain or exceed the benchmark of 95 percent timeliness of the first payment to unemployment insurance claimants. 		X			

Unemployment Insurance

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	11,065.0	12,214.3	12,495.2
72000 Travel	307.2	268.3	317.2
73000 Contractual	3,305.1	4,909.7	4,401.0
74000 Supplies	275.0	291.1	291.1
75000 Equipment	563.4	432.8	563.4
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	839.4	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	16,355.1	18,116.2	18,067.9
Funding Sources:			
1002 Federal Receipts	16,061.1	17,766.1	17,616.5
1007 Inter-Agency Receipts	294.0	350.1	451.4
Funding Totals	16,355.1	18,116.2	18,067.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	16,061.1	17,766.1	19,704.9	17,616.5	17,616.5
Interagency Receipts	51015	294.0	350.1	350.1	451.4	451.4
Restricted Total		16,355.1	18,116.2	20,055.0	18,067.9	18,067.9
Total Estimated Revenues		16,355.1	18,116.2	20,055.0	18,067.9	18,067.9

Unemployment Insurance

Proposed Changes in Levels of Service for FY2002

- 1) To enhance quality service to clients, create and implement a comprehensive employee development and career enhancement program.
- 2) Improve the quality and accessibility of Appeal Tribunal services through specialized training for Hearing Officers, Internet access to Commissioner and Tribunal decisions and Language Line interpreter services for clients with special needs.
- 3) Improve timeliness in payment of unemployment compensation for ex-service members by implementing programming for data transfer.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	17,766.1	350.1	18,116.2
Adjustments which will continue current level of service:				
-Transfer two PFT PCN's 07-5831 and 07-5896 from Employ Svcs to Unemploy Ins to reflect funding	0.0	94.4	0.0	94.4
-Transfer interagency receipts from Job Training Programs to Unemployment Insurance	0.0	0.0	100.0	100.0
-Transfer federal authorization from Unemploy Ins to Job Trng Progr for Welfare to Work costs	0.0	-2,200.0	0.0	-2,200.0
-Transfer federal authorization from JTPA to Unemployment Insurance - RP 0714005	0.0	1,938.8	0.0	1,938.8
-Year 2 Labor Costs - Net Change from FY2001	0.0	17.2	1.3	18.5
FY2002 Governor	0.0	17,616.5	451.4	18,067.9

Unemployment Insurance
Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	173	196	Annual Salaries	9,559,594
Part-time	61	40	COLA	133,089
Nonpermanent	0	1	Premium Pay	0
			Annual Benefits	3,450,178
			<i>Less 4.93% Vacancy Factor</i>	(647,661)
			Lump Sum Premium Pay	0
Totals	234	237	Total Personal Services	12,495,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk II	1	0	0	0	1
Accounting Spvr I	0	0	2	0	2
Accounting Spvr II	0	0	1	0	1
Accounting Tech I	1	1	1	0	3
Accounting Tech II	0	0	2	0	2
Administrative Assistant	1	0	2	0	3
Administrative Clerk II	0	0	4	0	4
Administrative Clerk III	4	1	4	0	9
Appeals Referee II	3	0	2	0	5
Appeals Referee III	1	0	0	0	1
Asst Dir Employ Security	0	0	1	0	1
Employ Sec Analyst I	0	0	3	0	3
Employ Sec Analyst II	0	0	7	0	7
Employ Sec Analyst III	0	0	7	0	7
Employ Sec Spec IA	8	0	6	0	14
Employ Sec Spec IB	42	10	35	0	87
Employ Sec Spec II	0	0	4	0	4
Employ Sec Spec III	6	1	4	0	11
Employ Sec Spec IV	0	0	2	0	2
Employment Service Manager II	0	1	0	0	1
Employment Service Mgr III	1	0	1	0	2
Field Auditor I	7	2	2	2	13
Field Auditor II	1	1	1	0	3
Investigator II	3	1	1	0	5
Investigator III	1	0	0	0	1
Micro/Network Tech I	1	1	3	0	5
Microfilm Equip Op I	0	0	1	0	1
Microfilm Equip Op II	0	0	1	0	1
Prog Coordinator	0	0	4	0	4
Spvr Audit Operations	0	0	1	0	1
Status Examiner I	0	0	10	0	10
Student Intern I	0	0	1	0	1
Supvr, Unempl Ins Tax	0	0	1	0	1
UI QC Supervisor	0	0	1	0	1
Unem Ins Qtl Contl Audit	3	1	1	0	5
Unemp Ins Support Svcs Mgr	0	0	1	0	1
Unemployment Ins Spec II	0	0	12	0	12
Unemployment Ins Spec III	0	0	2	0	2

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Totals	84	20	131	2	237

Component: Job Training Programs

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Component Mission

Prepare Alaskans for work and meet the needs of Alaska's employers who are seeking a skilled, qualified and ready to work labor force; foster the development of self-reliant and productive individuals by providing job training, financial support, and core services; and, turn actual or potential Unemployment Insurance (UI) claimants into UI Trust Fund contributors through training investments in the Alaskan workforce.

Note: Due to similar missions and to increase administrative efficiencies, this component was created to consolidate three components from the Department's Fiscal Year 2001 budget: Job Training Partnership Act (JTPA), Statewide Service Delivery (SSD), and, State Training and Employment Program (STEP).

Component Services Provided

- 1) The Alaska Workforce Investment Office (AWIO), based in Anchorage, is responsible for planning, administration and grant management of all federal Workforce Investment Act (WIA) of 1998 Title IB programs, the federal Welfare to Work (WtW) program under the Balanced Budget Act of 1997, and the State Training and Employment Program.
 - Under Title IB of the WIA, funds are available for Youth, Adult and Dislocated Worker activities at both the state and local levels.
 - At the state level, funds are also available for responding to worker dislocations, and for statewide activities, such as providing technical assistance and conducting special projects.
 - Welfare to Work and STEP activities in this component occur at both the state and local levels.
- 2) The State Training and Employment Program (STEP), administered by AWIO, provides Alaskan workers access to state and employer sponsored training programs and services including:
 - Industry specific on-the-job and classroom training.
 - Job search assistance and other supportive services.
 - Vocational counseling and career guidance.
- 3) The Statewide Service Delivery Office (SSD), based in Juneau, receives federal funds to implement statewide employment-training programs. The component provides appropriate oversight on the administration of these funds. It coordinates with related programs, such as vocational education, school- to- work, and employment services to ensure maximum efficiency in serving participants.
 - At the local level, provide "front line" delivery of services such as assessment, case management, job training and supportive services through the Alaska Job Center Network (AJCN) one-stop staff, and selected grantees. These services are offered through local centers, with advice and oversight from local advisory committees and a statewide Local Workforce Investment Board (LWIB).
 - The primary vehicles for service delivery include case management and grants management within the appropriate regions. With the evolution and growth of the Alaska Job Center Network, these services are now offered in more offices and in a more efficient manner.

Component Goals and Strategies

- 1) Provide effective administration and oversight of Workforce Investment Act (WIA), State Training Employment Program (STEP), and Welfare to Work (WtW) programs marshalling resources to realize efficiencies.
 - Administer the Workforce Investment Act programs.

- Provide financial and technical assistance to the Alaska Human Resource Investment Council (AHRIC), Local Workforce Investment Boards (LWIB), other state and local agencies and contractors.
 - Provide accurate and timely reporting of financial and participant activities to federal funding agencies.
 - Provide technical support and financial resources to appropriate businesses and agencies in response to business closures and layoffs.
- 2) Target Alaska's underemployed and unemployed for employment and training related programs.
 - Reduce unemployment among economically disadvantaged and dislocated workers.
 - Obtain higher wages for program participants upon placement.
 - Increase job retention of trained workers.
 - Increase Alaska hire through creation of a skilled worker pool.
 - Increase basic, work readiness and occupational skill level for youth.
 - 3) Maximize the use of STEP funds for training of Alaskans
 - Minimize or prevent future claims against the unemployment insurance trust fund.
 - Foster new jobs by encouraging businesses to locate in Alaska due to the availability of a skilled labor force and low unemployment costs.
 - Increase the training opportunities to those workers severely affected by fluctuations in the state economy or technological changes in the workplace.
 - Provide supplementary training resources for Alaska's employers, which complement federal programs and offer greater flexibility.

Key Component Issues for FY2001 – 2002

- 1) Implement the Workforce Investment Act (WIA) program and policies while closing out the Job Training Partnership Act (JTPA) programs.
- 2) Prepare for the final year of fund availability for the Welfare to Work (WtW) programs.
- 3) Continue coordination and collaboration with Alaska Job Center Network (AJCN) one-stop centers and cooperative agencies.
- 4) Expand dislocated worker services to affected industries.
- 5) Explore an expanded and integrated Management Information System (MIS) both for case management as well as performance reporting, for all major AJCN partner programs.

Major Component Accomplishments for FY2000

- 1) Completed the successful transition of the JTPA and WtW programs from the Department of Community and Regional Affairs to the Department of Labor and Workforce Development under HB 40.
- 2) Negotiated, awarded and administered over \$11M in JTPA and WtW and over \$3.3M in STEP financial assistance agreements.
- 3) Completed plans for the early implementation of the Workforce Investment Act youth program and negotiated, awarded and administered \$2.7M in financial assistance agreements.
- 4) Provided extensive technical assistance to the Alaska Human Resource Investment Council in the development of the State of Alaska five-year Unified Plan required under the Workforce Investment Act.
- 5) Successfully delivered dislocated worker services to affected timber workers in Southeast Alaska, oil field workers in Southcentral Alaska and to dislocated fishers in Western Alaska.
- 6) Provided outreach and grants for approximately \$975,000 in special rural Denali Commission projects.

- 7) Provided expanded WIA youth services with \$250,000 in Project Renew Hope grants to Western Alaskan communities.
- 8) Assisted in the preparation of the Annual STEP Report in December. The latest available program information is for FY 1997 - 1999, showing STEP achieved the following:
 - In FY99, nearly 990 new clients were enrolled in the program.
 - Efficiencies have lowered the expenditures per STEP client, falling from \$1,735 in FY97 to \$1,611 in FY99.
 - FY98 UI claims were reduced from over \$2,450,000 (873 claims) in the 12 months prior to their participation to under \$980,000 (491 claims) in the year after they completed STEP.

Statutory and Regulatory Authority

- 1) Federal
 - Public Law 104-193
 - Public Law 105-33
 - Public Law 105-220
 - 20 CFR parts 660-671
 - 29 CFR part 37
- 2) State
 - AS 44.31
 - AS 23.15.620-660
 - AS 23.15.700-810
 - 8 AAC 87.010-87.180
 - Admin Order # 113
 - Admin Order # 182

Key Performance Measures for FY2002

Measure: Increase the employment percentage goal to 65 percent placement into full time, unsubsidized jobs of eligible WIA Adult Job Training participants. 80 percent will retain work for at least six months.
(Revised from Legislature's FY2001 version.)

Current Status:

For FY01 and FY02 the employment goals for Adult WIA participants will be measured against the Federal U.S. Department of Labor negotiated performance standards under the WIA. Historically, Alaska's program employment percentage has been 60.8 percent of WIA Adult participants placed into full time unsubsidized jobs. Of this 60.8 percent, 75.5 percent have retained work for at least 6 months.

Benchmark:

For FY01, the national employment percentage average of Adult WIA participants placed into full time unsubsidized jobs is 71 percent. Of this 71 percent, 78 percent have retained work for at least 6 months. The USDOL performance standards are committed to continuous improvement, with a goal of a 1 percent increase each year.

Background and Strategies:

The Workforce Investment Act of 1998 requires that all States and their programs receiving Federal funds must develop measurable performance outcomes.

Alaska has developed appropriate job training, placement and retention strategies under the WIA State Unified Plan, to enable staff and selected service providers to successfully serve Alaska's unemployed and underemployed workers. Since 1999, the USDOL, Employment and Training Administration requires that each state negotiate a

reasonable percent of increase in employment goals for the years FY 00, 01, and 02. Each state would choose a benchmark year and the aim would be to increase the goals attained annually.

Job Training Programs

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	2,937.4
72000 Travel	0.0	0.0	384.7
73000 Contractual	0.0	0.0	5,882.4
74000 Supplies	0.0	0.0	112.2
75000 Equipment	0.0	0.0	177.6
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	20,298.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	0.0	29,792.3
Funding Sources:			
1002 Federal Receipts	0.0	0.0	22,450.6
1004 General Fund Receipts	0.0	0.0	493.7
1005 General Fund/Program Receipts	0.0	0.0	43.7
1007 Inter-Agency Receipts	0.0	0.0	2,244.2
1054 State Employment & Training Program	0.0	0.0	4,560.1
Funding Totals	0.0	0.0	29,792.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	0.0	0.0	0.0	22,450.6	22,400.6
Interagency Receipts	51015	0.0	0.0	0.0	2,244.2	2,244.2
General Fund Program Receipts	51060	0.0	0.0	0.0	43.7	43.7
State Employment and Training Program	51394	0.0	0.0	0.0	4,560.1	4,560.1
Restricted Total		0.0	0.0	0.0	29,298.6	29,248.6
Total Estimated Revenues		0.0	0.0	0.0	29,298.6	29,248.6

Job Training Programs

Proposed Changes in Levels of Service for FY2002

- 1) Full implementation of a new management information system, including customer satisfaction measures for increased oversight and monitoring of performance standards.
- 2) Increased services to rural Alaskans through Denali Commission grants and Operation Renew Hope.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	0.0	0.0
Adjustments which will continue current level of service:				
-Transfer JTPA funding and positions to new Job Training component	70.5	15,099.0	158.1	15,327.6
-Transfer Statewide Service Delivery funding and positions to new Job Training component	466.5	7,573.2	3,322.0	11,361.7
-Transfer State Training and Employment Program funding to new Job Training component	0.0	0.0	4,553.8	4,553.8
-Transfer interagency receipts from Job Training Programs to Unemployment Insurance	0.0	0.0	-100.0	-100.0
-Transfer interagency receipts from Job Training Programs to Employment Services	0.0	0.0	-100.0	-100.0
-Year 2 Labor Costs - Net Change from FY2001	0.4	-23.0	-8.0	-30.6
Proposed budget decreases:				
-Delete 7 non-perm PCN's scheduled to terminate 6/30/2001	0.0	-198.6	0.0	-198.6
-Decrease interagency receipts due to component consolidation	0.0	0.0	-1,021.6	-1,021.6
FY2002 Governor	537.4	22,450.6	6,804.3	29,792.3

Job Training Programs

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	0	51	Annual Salaries	2,268,156
Part-time	0	0	COLA	33,257
Nonpermanent	0	1	Premium Pay	0
			Annual Benefits	793,550
			<i>Less 5.09% Vacancy Factor</i>	(157,563)
			Lump Sum Premium Pay	0
Totals	0	52	Total Personal Services	2,937,400

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	1	0	0	0	1
Administrative Clerk I	0	1	0	0	1
Administrative Clerk III	2	2	2	4	10
Administrative Coordinator	0	0	1	0	1
Asst Dir Employ Security	0	0	1	0	1
Community Devel Spec I	0	3	0	1	4
Community Devel Spec II	2	5	2	5	14
Community Devel Spec III	0	1	2	1	4
Employ Sec Analyst I	1	0	0	0	1
Employ Sec Analyst II	0	0	1	0	1
Grants Administrator II	4	0	3	0	7
Grants Administrator III	1	0	0	0	1
Planner IV	0	0	1	0	1
Prog Coordinator	1	0	1	0	2
Project Asst	1	0	0	0	1
Project Coord	1	0	0	0	1
Research Analyst III	1	0	0	0	1
Totals	15	12	14	11	52

Component: Work Services

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Component Mission

This component consolidated into the Employment Services component.

Component Services Provided

This component consolidated into the Employment Services component.

Component Goals and Strategies

This component consolidated into the Employment Services component.

Key Component Issues for FY2001 – 2002

This component consolidated into the Employment Services component.

Major Component Accomplishments for FY2000

This component consolidated into the Employment Services component.

Statutory and Regulatory Authority

This component consolidated into the Employment Services component.

Work Services

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,258.8	1,432.5	0.0
72000 Travel	12.7	15.0	0.0
73000 Contractual	188.6	300.0	0.0
74000 Supplies	2.8	5.0	0.0
75000 Equipment	9.2	5.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,472.1	1,757.5	0.0
Funding Sources:			
1003 General Fund Match	129.8	133.8	0.0
1007 Inter-Agency Receipts	1,342.3	1,623.7	0.0
Funding Totals	1,472.1	1,757.5	0.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<u>Unrestricted Revenues</u>						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
<u>Restricted Revenues</u>						
Interagency Receipts	51015	1,342.3	1,623.7	1,623.7	0.0	0.0
Restricted Total		1,342.3	1,623.7	1,623.7	0.0	0.0
Total Estimated Revenues		1,342.3	1,623.7	1,623.7	0.0	0.0

Work Services**Proposed Changes in Levels of Service for FY2002**

This component consolidated into the Employment Services component.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor**

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	133.8	0.0	1,623.7	1,757.5
Adjustments which will continue current level of service:				
-Transfer Work Services funding and positions to the Employment Services component	-133.8	0.0	-1,623.7	-1,757.5
FY2002 Governor	0.0	0.0	0.0	0.0

Work Services**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	26	0	Annual Salaries	0
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	0
			<i>Less 0.00% Vacancy Factor</i>	(0)
			Lump Sum Premium Pay	0
Totals	26	0	Total Personal Services	0

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
No personal services.					
Totals	0	0	0	0	0

Component: Job Training Partnership Act

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Component Mission

This component consolidated into a new component called Job Training Programs.

Component Services Provided

This component consolidated into a new component called Job Training Programs.

Component Goals and Strategies

This component consolidated into a new component called Job Training Programs.

Key Component Issues for FY2001 – 2002

This component consolidated into a new component called Job Training Programs.

Major Component Accomplishments for FY2000

This component consolidated into a new component called Job Training Programs.

Statutory and Regulatory Authority

This component consolidated into a new component called Job Training Programs.

Job Training Partnership Act

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,265.6	1,855.7	0.0
72000 Travel	141.5	128.5	0.0
73000 Contractual	2,547.4	1,492.7	0.0
74000 Supplies	24.2	17.1	0.0
75000 Equipment	68.1	75.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	5,297.7	8,092.7	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	9,344.5	11,661.7	0.0
Funding Sources:			
1002 Federal Receipts	9,096.6	11,533.1	0.0
1004 General Fund Receipts	26.5	26.8	0.0
1005 General Fund/Program Receipts	0.0	43.7	0.0
1007 Inter-Agency Receipts	221.4	58.1	0.0
Funding Totals	9,344.5	11,661.7	0.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	9,096.6	11,533.1	9,594.3	0.0	0.0
Interagency Receipts	51015	221.4	58.1	158.1	0.0	0.0
General Fund Program Receipts	51060	0.0	43.7	43.7	0.0	0.0
Restricted Total		9,318.0	11,634.9	9,796.1	0.0	0.0
Total Estimated Revenues		9,318.0	11,634.9	9,796.1	0.0	0.0

Job Training Partnership Act**Proposed Changes in Levels of Service for FY2002**

This component consolidated into a new component called Job Training Programs.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	70.5	11,533.1	58.1	11,661.7
Adjustments which will continue current level of service:				
-Transfer federal authorization from ES grants to JTPA grants to cover Denali commission funding	0.0	400.0	0.0	400.0
-Transfer federal authorization from UI contractual to JTPA contractual to cover federal WtW costs	0.0	2,200.0	0.0	2,200.0
-Transfer JTPA funding and positions to new Job Training component	-70.5	-15,099.0	-158.1	-15,327.6
-Transfer I/A receipts from Employment Services to JTPA - RP 0714005	0.0	0.0	100.0	100.0
-Transfer federal authorization from JTPA to Unemployment Insurance - RP 0714005	0.0	-1,938.8	0.0	-1,938.8
Proposed budget increases:				
-Increase federal authorization to provide Denali Commission grant funding	0.0	2,904.7	0.0	2,904.7
FY2002 Governor	0.0	0.0	0.0	0.0

Job Training Partnership Act**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
			Annual Salaries	0
Full-time	12	0	Premium Pay	0
Part-time	0	0	Annual Benefits	0
Nonpermanent	22	0	<i>Less 0.00% Vacancy Factor</i>	(0)
			Lump Sum Premium Pay	0
Totals	34	0	Total Personal Services	0

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
No personal services.					
Totals	0	0	0	0	0

Component: Statewide Service Delivery

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Component Mission

This component consolidated into a new component called Job Training Programs.

Component Services Provided

This component consolidated into a new component called Job Training Programs.

Component Goals and Strategies

This component consolidated into a new component called Job Training Programs.

Key Component Issues for FY2001 – 2002

This component consolidated into a new component called Job Training Programs.

Major Component Accomplishments for FY2000

This component consolidated into a new component called Job Training Programs.

Statutory and Regulatory Authority

This component consolidated into a new component called Job Training Programs.

Statewide Service Delivery

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	2,040.2	2,379.4	0.0
72000 Travel	166.8	239.4	0.0
73000 Contractual	1,413.7	692.2	0.0
74000 Supplies	70.1	69.4	0.0
75000 Equipment	71.8	106.1	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	6,272.3	8,985.2	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	10,034.9	12,471.7	0.0
Funding Sources:			
1002 Federal Receipts	6,840.6	8,723.2	0.0
1004 General Fund Receipts	457.6	466.5	0.0
1007 Inter-Agency Receipts	2,736.7	3,282.0	0.0
Funding Totals	10,034.9	12,471.7	0.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	6,840.6	8,723.2	7,573.2	0.0	0.0
Interagency Receipts	51015	2,736.7	3,282.0	3,322.0	0.0	0.0
Restricted Total		9,577.3	12,005.2	10,895.2	0.0	0.0
Total Estimated Revenues		9,577.3	12,005.2	10,895.2	0.0	0.0

Statewide Service Delivery**Proposed Changes in Levels of Service for FY2002**

This component consolidated into a new component called Job Training Programs.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	466.5	8,723.2	3,282.0	12,471.7
Adjustments which will continue current level of service:				
-Transfer I/A receipts from Employment Services to Statewide Service Delivery - RP 0714005	0.0	0.0	40.0	40.0
-Transfer federal authorization from Statewide Service Delivery to Employment Services - RP 0714005	0.0	-1,000.0	0.0	-1,000.0
-Transfer federal authorization from Statewide Service Delivery to Adult Basic Education - RP 0714005	0.0	-150.0	0.0	-150.0
-Transfer Statewide Service Delivery funding and positions to new Job Training component	-466.5	-7,573.2	-3,322.0	-11,361.7
FY2002 Governor	0.0	0.0	0.0	0.0

Statewide Service Delivery

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	32	0	Annual Salaries	0
Part-time	1	0	Premium Pay	0
Nonpermanent	16	0	Annual Benefits	0
			Less 0.00% Vacancy Factor	(0)
			Lump Sum Premium Pay	0
Totals	49	0	Total Personal Services	0

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
No personal services.					
Totals	0	0	0	0	0

Component: State Training Employment Program

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Tel: (907) 465-2712 **Fax:** (907) 465-4537 **E-mail:** Rebecca_Gamez@labor.state.ak.us

Component Mission

This component consolidated into a new component called Job Training Programs.

Component Services Provided

This component consolidated into a new component called Job Training Programs.

Component Goals and Strategies

This component consolidated into a new component called Job Training Programs.

Key Component Issues for FY2001 – 2002

This component consolidated into a new component called Job Training Programs.

Major Component Accomplishments for FY2000

This component consolidated into a new component called Job Training Programs.

Statutory and Regulatory Authority

This component consolidated into a new component called Job Training Programs.

State Training Employment Program

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.1	4.5	0.0
73000 Contractual	2,719.2	3,124.9	0.0
74000 Supplies	0.2	1.5	0.0
75000 Equipment	4.5	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	1,278.1	1,422.9	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	4,002.1	4,553.8	0.0
Funding Sources:			
1054 State Employment & Training Program	4,002.1	4,553.8	0.0
Funding Totals	4,002.1	4,553.8	0.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<u>Unrestricted Revenues</u>						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
<u>Restricted Revenues</u>						
State Employment and Training Program	51394	4,002.1	4,553.8	4,553.8	0.0	0.0
Restricted Total		4,002.1	4,553.8	4,553.8	0.0	0.0
Total Estimated Revenues		4,002.1	4,553.8	4,553.8	0.0	0.0

State Training Employment Program**Proposed Changes in Levels of Service for FY2002**

This component consolidated into a new component called Job Training Programs.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	4,553.8	4,553.8
Adjustments which will continue current level of service:				
-Transfer STEP funding to new Job Training component	0.0	0.0	-4,553.8	-4,553.8
FY2002 Governor	0.0	0.0	0.0	0.0

Component: Adult Basic Education

Contact: Rebecca Nance Gamez, Director

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Component Mission

To provide adult learners instruction in the basic skills of reading, writing, mathematics, English as a Second Language (ESL), and GED (General Educational Development) preparation and testing. The goal of Adult Basic Education (ABE) is to assist learners in reaching self-sufficiency by transitioning into vocational training, higher education, job placement, or job advancement. Learners must be aged 16 and over and not enrolled in high school.

Component Services Provided

- 1) Adult Basic Education (ABE)
 - Instruction in basic skills of reading, writing, and math.
 - Emphasis on integrating workplace readiness skills into instruction as well as practical life skills.
- 2) General Educational Development (GED)
 - Instruction and pre-testing in GED preparation.
 - Administration of five timed tests that make up the test battery: writing skills (essay required), literature and the arts, science, social studies, and mathematics.
- 3) English Literacy and Citizenship
 - Instruction in speaking, reading, writing, and computing in English.
 - Instruction in literacy skills for which one outcome may result in passing a citizenship test.
 - Instruction in skills necessary to reach a minimum level of English competency needed for most entry-level service positions and the ability to function at a basic level in American society.
- 4) Workplace Literacy
 - Instruction in the basic skills with an emphasis on preparing for or retaining employment.
 - Assistance to employers in setting up workplace literacy activities.
- 5) Life Skills Literacy
 - Workshops (resume writing, reading bills, reading classified ads) in developing and sustaining higher levels of self-sufficiency.
- 6) Family Literacy
 - Collaboration with the Department of Education and Early Development's Even Start Family Literacy programs.
- 7) GED Testing
 - There are a total of 28 Test Centers in Alaska. Thirteen Regional Adult Education programs offer GED preparation and testing. An additional 15 entities are approved as GED Testing Centers. All test centers contract with the National GED Testing Service and are administered through this state office.

Component Goals and Strategies

- 1) Increase the number of adult learners from the FY2000 level of approximately 30 percent to 32 percent who:
 - Complete instructional levels
 - Obtain a GED
 - Transition into higher education or vocational training
 - Obtain or advance in employment
- 2) Comply with the approved Unified State Plan, which is consistent with other employment and training programs and the federal Workforce Investment Act (WIA) implementation criteria.
- 3) Administer statewide staff development of ABE grantees which includes:
 - Fall staff development training conference for local ABE Directors and instructors
 - Four audio conferences for ABE Directors and three for GED test center staff
 - One full-day of training for GED Test Center staff
 - Development and dissemination of a distance delivery module (reading, writing, math, basics of teaching adults)
- 4) Adjust services to meet customer needs.
 - Use model customer satisfaction surveys collected in FY2001 to produce a more effective program.

Key Component Issues for FY2001 – 2002

- 1) GED transcripts (1983-1999) were stored on department microfilm in FY 2001 to complete a safe and secure archival system. Transcripts prior to 1983 are stored on microfiche and copies of all film and fiche are kept in State archives. By FY2002, all new GED transcripts will continue to be backed up on microfilm, but will also be in a Statewide and National database.
- 2) On January 1, 2002, a new GED Test version will be implemented. Any tester who has passed one or more of the five tests in the GED test battery will be able to complete the current 1988 version of the GED test through December 2001. However, no new testers may begin testing after October 2001 without a signed waiver indicating their understanding that they must pass the entire test battery by December 2001 and that partial scores will not be valid after January 1, 2002.
- 3) The Alaska State High School Exit Exam will go into effect in 2002. The Reading, Writing, and Math tests are similar to the current GED test. It is expected that enrollment in Adult Education GED preparation programs will initially increase by 25 percent as high school seniors prepare to take the GED or seek instruction in order to pass the Exit Exam in the years after their class graduates. GED Testing Centers also predict about a 25 percent increase in testers.
- 4) The new Federal Adult Education Act (WIA, Title II) no longer focuses on the recruitment of large numbers of students. Rather, it focuses on providing more intense, higher quality levels of instruction and program support for the students who do enroll. The percent of student gains rather than the number of students enrolled measure program success. The ABE State Funding Formula, which is approved by the department and went into effect in FY 97, stipulates a minimum number of students that should be served in each Region. Even though this formula may be workable for allocating funds, it is not compatible with WIA. Attendance in ABE programs is voluntary, open-ended and open-exited. Several factors determine how many adults enroll in adult education programs. Changes in seasonal work, Welfare-to-Work laws, cannery closures, fishing industry problems, etc., can affect enrollment numbers throughout whole Regions. A review of FY 97-00 program data indicates no significant correlation between the funding formula and actual numbers enrolled. In FY 02, the department will consider eliminating the requirement for the minimum number of students.
- 5) Required data to meet performance measures under the new ABE Act must be developed through the collection of wage data records.

Major Component Accomplishments for FY2000

- 1) 5,400 full-time adult learners were served through ABE programs in FY 2000 (July 1, 1999 -- June 30, 2000) 2,300 completed an educational level; 1,200 received a GED; and 984 gained or advanced in employment, and 541 entered other Academic or Vocational programs.
- 2) Over 1,500 official copies of GED transcripts were provided to prospective employers, educational and vocational training institutions at their request.
- 3) A major new GED Testing Center opened in Anchorage.
- 4) The US Office of Vocational and Adult Education approved the State's 5-Year Unified Plan.
- 5) The division successfully implemented a statewide staff development plan, which had previously been conducted through a competitive grant process.
- 6) The ABE Grants and Reimbursable Service Agreements were successfully issued and were aligned with the federal WIA requirements.

Statutory and Regulatory Authority

- 1) Federal
 - The Workforce Investment Act of 1998, Title II: Adult Education and Family Literacy
 - The National GED Testing Service
- 2) State
 - AS14.07.020(12)
 - 8AAC 99.200 Adult Basic Education Grants
 - 8AAC 99.010 Delegations of Authority to Issue Diplomas in Connection with the Adult Basic Programs
 - 8AAC 99.110 High School Equivalency Test
 - 8AAC 99.120 Eligibility
 - 8AAC 99.130 Official Test Sites
 - 8AAC 99.140 State GED Program Office

Key Performance Measures for FY2002

Measure: Increase the education percentage goal to 25% of Adult Basic Education clients who get a GED, find or retain a job, advance to higher education /vocational training, or advance in educational levels.
(Not yet addressed by Legislature.)

Current Status:

For FY 00, 01, and 02 the percentage of full-time Adult Basic Education clients will be measured against the FY 99 average benchmark of 19 percent. The goal is a 2 percent increase each year in each of the following positive outcomes:

- 1) Obtaining a GED;
- 2) Finding or retaining employment;
- 3) Advancing to higher education or vocational training; or
- 4) Advancing in one or more educational levels.

Benchmark:

The FY99 average benchmark is 19 percent, which was derived from the statewide number of full-time Adult Education clients who achieved one of the positive outcomes. Of the total number of FY99 clients enrolled, 29 percent

earned a GED, 10 percent found or retained a job, 8 percent advanced to higher education or vocational training, and 31 percent advanced two educational levels.

Background and Strategies:

Title II, Adult Education and Family Literacy of the Workforce Investment Act of 1998 requires that Adult Education programs receiving Federal funds must develop positive outcomes in the categories listed above.

Since 1998 the U.S. Department of Education, Office of Vocational and Adult Education (OVAE) requires that each state negotiate a reasonable percent of increase in measurable outcomes for the years FY 00, 01, and 02. Each state would choose a benchmark year and the aim would be to increase the goals attained by 2 percent annually.

All local Adult Education programs in Alaska met in Anchorage twice in FY98 to develop a set of student performance standards which included the measurable outcomes. These standards were reviewed and sanctioned by the State Board of Education (ABE was located in Department of Education in FY98) and OVAE. They have since been revised to accommodate changes brought about by the Workforce Investment Act.

After the negotiation process with OVAE in FY98 and FY99, the National Reporting System (NRS) requirements changed significantly in FY00. This resulted in an incongruity of comparable outcomes. The first time data will be available for a reliable comparison is at the end of FY01 when the data will be compared with FY00.

Adult Basic Education

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	95.8	115.1	113.2
72000 Travel	5.7	7.5	7.5
73000 Contractual	703.3	111.8	762.1
74000 Supplies	7.5	5.9	7.5
75000 Equipment	3.0	5.0	5.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	1,464.0	2,144.6	1,704.5
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,279.3	2,389.9	2,599.8
Funding Sources:			
1002 Federal Receipts	542.5	652.4	862.2
1004 General Fund Receipts	1,736.8	1,737.5	1,737.6
Funding Totals	2,279.3	2,389.9	2,599.8

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<u>Unrestricted Revenues</u>						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
<u>Restricted Revenues</u>						
Federal Receipts	51010	542.5	652.4	802.4	862.2	862.2
Restricted Total		542.5	652.4	802.4	862.2	862.2
Total Estimated Revenues		542.5	652.4	802.4	862.2	862.2

Adult Basic Education

Proposed Changes in Levels of Service for FY2002

FY 2002 will be the third year of a continuation grant cycle. There are no anticipated changes in the basic services to be offered by the current ABE programs. However, within those programs, these changes are expected:

- 1) More emphasis is being placed on providing staff development in instructional strategies for the mid-level learner. This will have begun in FY 2001 with a statewide ABE initiative to pilot a project focused on teaching instructors how to provide instruction in multi-sensory reading instruction.
- 2) Because the new series of GED testing begins in January 2002, all ABE programs will be focusing on new in-depth instructional practices in math, including using scientific calculators to prepare for the new GED math test. Other examples of the new focus include more instruction in essay writing, learning to interpret graphs and political cartoons, and studying homonyms rather than spelling.
- 3) More collaborative efforts will be made with school districts in order to prepare some students to re-take the High School Exit Exam after they leave high school.
- 4) Fewer students may be served and a higher percentage of those served will reach their goals.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	1,737.5	652.4	0.0	2,389.9
Adjustments which will continue current level of service:				
-Transfer federal authorization from Statewide Service Delivery to Adult Basic Education - RP 0714005	0.0	150.0	0.0	150.0
-Year 2 Labor Costs - Net Change from FY2001	0.1	-0.8	0.0	-0.7
Proposed budget decreases:				
-Adjust Personal Services Authorization for Year 2 Labor Costs	0.0	-0.1	0.0	-0.1
Proposed budget increases:				
-Increase federal authorization to fully utilize available Adult Basic Education grant funding	0.0	60.7	0.0	60.7
FY2002 Governor	1,737.6	862.2	0.0	2,599.8

Adult Basic Education**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	2	2	Annual Salaries	82,520
Part-time	0	0	COLA	982
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	29,731
			<i>Less 0.03% Vacancy Factor</i>	(33)
			Lump Sum Premium Pay	0
Totals	2	2	Total Personal Services	113,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk III	0	0	1	0	1
Education Specialist II	0	0	1	0	1
Totals	0	0	2	0	2

Administrative Services Budget Request Unit

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BRU Mission

The mission of the Division of Administrative Services is to provide support services to departmental programs.

BRU Services Provided

The Management Services component provides budget planning, monitoring and reporting; federal, state and unemployment insurance trust fund accounting; publication functions; human resource management; and procurement, mail and office space management to departmental programs.

The Labor Market Information component collects, analyses and publishes information on employment, unemployment, wage rates, occupational injuries, population estimates and forecasts, and other economic and demographic information.

The Data Processing component provides long-range planning, project management, mainframe and desktop programming, database and security administration and network services installations and support.

BRU Goals and Strategies

- 1) Identify administrative support needs of the department and the tasks required to meet those needs, with input from program managers and program support staff.
 - Use the information gained to develop or change the department's administrative policies and procedures for more efficient and effective administrative support.
- 2) Provide reliable and cost effective data processing services and support which fully utilize emerging technologies to benefit program operations and public services.
 - Replace obsolete hardware and upgrade software to meet departmental standards.
 - Deploy "desktop management" software and work closely with first level support staff within the divisions of the department.
 - Maintain adequate data processing disaster recovery plans.
- 3) Utilize technology to improve service to the public.
 - Continue to increase the amount of demographic and labor market information available through the department's website.
 - Complete implementation of the internet job order system for employers and self-registration and referral for job seekers.

Key BRU Issues for FY2001 – 2002

Providing support and training with the implementation of changing technologies and program services.

Participation in and support for implementation of the federal Workforce Investment Act of 1998 as the state's and individual program needs are addressed.

Recruitment and retention of data processing staff continues as a critical problem. Projects will continue as prioritized but overall progress will be limited by available staff and their level of training and experience.

Due to continual and sometimes severe backlog in federal reporting, need to analyze process and workload to determine what can be done to bring us into compliance with reporting time frames.

Close out the Job Training Partnership Act grants which ended June 30, 2000.

Complete reorganization and training of staff in the Fiscal section due to HB40 workload changes and support needed.

Federal funding from the Bureau of Labor Statistics for basic labor market information is not anticipated to increase. The complexity and resulting workload of these statistical programs has grown significantly in recent years. Resources (funding, staff) available for specific research on Alaska's labor market is not sufficient to meet the continuing increase in requests for information.

Major BRU Accomplishments for FY2000

Continued training of inhouse program staff to replace retiring DP staff. 1/2 of the original trainees are still involved with the training program and are now productive (though junior level) programmers.

Completed all programming for new Worker's Compensation system, converted data from old system, and successfully transitioned to production use of the new system.

Completed the first systems analysis phase of a project to deliver a new Unemployment Insurance Tax system. Continuing work will complete the project in the next 2 and a half years.

Provided necessary support to integrate nearly 200 additional positions into the department as a result of HB40.

Began a reorganization of the Fiscal section, as a result of the changing workload and support needs, to more efficiently and effectively provide the needed administrative support to financial programs.

LMI Web site was ranked 2nd in the nation by the Interstate Conference of Employment Security Agencies

In cooperation with the US Census Bureau, reviewed and revised much of the mapping data used by the Bureau in the 2000 Census.

Employment forecasts were completed for two-, and ten-year horizons.

Provided labor market information to policymakers and line staff through dozens of presentations and workshops.

Met all federal and state cooperative agreement deliverables.

Administrative Services
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
DOL State	0.0	0.0	0.0	0.0	259.7	0.0	0.0	259.7	277.1	0.0	0.0	277.1
Facilities Rent												
Data Processing	131.4	3,230.4	1,606.9	4,968.7	113.1	4,144.9	1,975.2	6,233.2	113.0	4,048.0	1,976.1	6,137.1
Management	417.7	1,982.4	284.6	2,684.7	404.7	2,133.0	236.5	2,774.2	405.7	2,336.8	267.4	3,009.9
Services												
Labor Market Information	506.9	1,075.5	1,035.5	2,617.9	517.9	1,177.2	1,316.7	3,011.8	519.7	1,289.3	1,605.6	3,414.6
Totals	1,056.0	6,288.3	2,927.0	10,271.3	1,295.4	7,455.1	3,528.4	12,278.9	1,315.5	7,674.1	3,849.1	12,838.7

Administrative Services**Proposed Changes in Levels of Service for FY2002**

Begin developing monthly seafood harvesting employment estimates, as well as researching methodologies to produce actual counts of seafood harvesting employment and earnings.

Develop a program for the annual creation of community level economic indicators. The indicators will be used to develop two products.

1. Funding allocation models for communities in economic distress
2. Analysis of each community potentially targeted for economic distress assistance

Administrative Services**Summary of BRU Budget Changes by Component****From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	1,295.4	7,455.1	3,528.4	12,278.9
Adjustments which will continue current level of service:				
-DOL State Facilities Rent	17.4	0.0	0.0	17.4
-Data Processing	-0.1	-7.7	-0.2	-8.0
-Management Services	1.0	3.8	0.9	5.7
-Labor Market Information	1.8	4.3	5.1	11.2
Proposed budget decreases:				
-Data Processing	0.0	-89.2	0.0	-89.2
-Labor Market Information	0.0	0.0	-31.2	-31.2
Proposed budget increases:				
-Data Processing	0.0	0.0	1.1	1.1
-Management Services	0.0	200.0	30.0	230.0
-Labor Market Information	0.0	107.8	315.0	422.8
FY2002 Governor	1,315.5	7,674.1	3,849.1	12,838.7

Component: DOL State Facilities Rent

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Component Mission

To fund necessary maintenance and help prevent future deferred maintenance problems in the eight buildings in the new state facilities rent pool.

Component Services Provided

State Facilities Rent Structure.

Component Goals and Strategies

Not applicable.

Key Component Issues for FY2001 – 2002

During years of budget constraints, state buildings have not been adequately maintained, resulting in a serious and expensive deferred maintenance backlog. By implementing a rent structure, the state will be able to recover an estimated \$1.5 million (statewide) in federal and other non-general funds for space occupied in state buildings. General funds now spent on building maintenance and operations by the Department of Transportation and Public Facilities (DOT/PF) for seven state buildings and by the Department of Administration (DOA) for the Atwood Building in Anchorage are being transferred from DOT/PF and DOA to the agencies occupying the buildings in the facilities rent pool. The agencies will pay rent, using these transferred general funds to pay for space occupied by general fund programs and collecting rent from non-general fund sources as appropriate.

Major Component Accomplishments for FY2000

Not applicable.

Statutory and Regulatory Authority

Not applicable.

DOL State Facilities Rent
Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	0.0	259.7	277.1
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	259.7	277.1
Funding Sources:			
1004 General Fund Receipts	0.0	259.7	277.1
Funding Totals	0.0	259.7	277.1

DOL State Facilities Rent**Proposed Changes in Levels of Service for FY2002**

Not applicable.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	259.7	0.0	0.0	259.7
Adjustments which will continue current level of service:				
-Transfer Facility Rent Funds from the Office of the Governor	17.4	0.0	0.0	17.4
FY2002 Governor	277.1	0.0	0.0	277.1

Component: Data Processing

Contact: Mike Noel, Manager of Information Services

Tel: (907) 465-4881 **Fax:** (907) 465-5788 **E-mail:** Mike_Noel@labor.state.ak.us

Component Mission

Provide data processing support and services to all departmental programs and to the Alaska Job Center Network.

Component Services Provided

- Data processing operations long-term planning.
- Technology assessment.
- Data Processing development and enhancement project management.
- Production job running, merging and printing, production output.
- Database administration.
- Local Area Network installation, maintenance and administration.
- Mainframe and Local Area Network application analysis and programming.
- Expert-level PC and LAN desktop troubleshooting support in coordination with local, first-level support.

Component Goals and Strategies

- 1) Improve effectiveness of mainframe based systems
 - Provide close coordination of software development and testing by use of departmental resources and Department of Administration resources.
 - Continue replacement of retiring DP staff with trainees drawn from experienced program staff instead of making extended recruitment efforts for trained DP staff.
- 2) Improve response to user desktop PC trouble calls
 - Deploy "desktop management" software and working more closely with first level support staff within the divisions.

Key Component Issues for FY2001 – 2002

- Recruitment and retention of data processing staff continues as a critical problem. Projects will continue as prioritized but overall progress will be limited by available staff and their level of training and experience.
- Meeting expectations of 24x7 availability of services on the Internet will require increased spending for more reliable equipment and possibly additional support staff.

Major Component Accomplishments for FY2000

- Continued training of inhouse program staff to replace retiring DP staff. 1/2 of the original trainees are still involved with the training program and are now productive (though junior level) programmers.

- Completed all programming for new Worker's Compensation system, converted data from old system, and successfully transitioned to production use of the new system.
- Completed the first systems analysis phase of a project to deliver a new Unemployment Insurance Tax system. Continuing work will complete the project in the next 2 and a half years.

Statutory and Regulatory Authority

No statutes and regulations.

Data Processing

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	2,864.5	3,448.9	3,489.7
72000 Travel	31.3	69.7	64.0
73000 Contractual	1,863.0	2,513.6	2,385.9
74000 Supplies	75.8	90.0	90.0
75000 Equipment	134.1	111.0	107.5
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	4,968.7	6,233.2	6,137.1
Funding Sources:			
1002 Federal Receipts	3,230.4	4,144.9	4,048.0
1003 General Fund Match	20.0	0.0	0.0
1004 General Fund Receipts	111.4	113.1	113.0
1007 Inter-Agency Receipts	1,606.9	1,975.2	1,976.1
Funding Totals	4,968.7	6,233.2	6,137.1

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	3,230.4	4,144.9	4,144.9	4,048.0	4,048.0
Interagency Receipts	51015	1,606.9	1,975.2	1,975.2	1,976.1	1,976.1
Restricted Total		4,837.3	6,120.1	6,120.1	6,024.1	6,024.1
Total Estimated Revenues		4,837.3	6,120.1	6,120.1	6,024.1	6,024.1

Data Processing**Proposed Changes in Levels of Service for FY2002**

No significant service changes are anticipated this year.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	113.1	4,144.9	1,975.2	6,233.2
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	-0.1	-7.7	-0.2	-8.0
Proposed budget decreases:				
-Reduce Federal Authorization to Align with Anticipated Expenditures	0.0	-89.2	0.0	-89.2
Proposed budget increases:				
-Increase Inter-Agency Authorization to Align with Anticipated Expenditures	0.0	0.0	1.1	1.1
FY2002 Governor	113.0	4,048.0	1,976.1	6,137.1

Data Processing**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	47	47	Annual Salaries	2,683,475
Part-time	1	1	COLA	39,601
Nonpermanent	0	0	Premium Pay	66,736
			Annual Benefits	851,984
			<i>Less 4.18% Vacancy Factor</i>	(152,096)
			Lump Sum Premium Pay	0
Totals	48	48	Total Personal Services	3,489,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	0	1	0	1
Analyst/Programmer II	0	0	1	0	1
Analyst/Programmer III	0	0	3	0	3
Analyst/Programmer IV	0	0	14	0	14
Analyst/Programmer V	0	0	5	0	5
College Intern II	0	0	1	0	1
Data Communicatns Spec I	1	0	0	0	1
Data Communicatns Spec II	0	0	1	0	1
Data Processing Mgr I	1	0	1	0	2
Data Processing Tech II	0	0	3	0	3
Database Specialist II	0	0	1	0	1
Database Specialist III	0	0	1	0	1
Micro/Network Spec I	1	0	2	0	3
Micro/Network Spec II	1	0	1	0	2
Micro/Network Tech II	3	0	4	0	7
Systems Programmer II	0	0	1	0	1
Systems Programmer IV	0	0	1	0	1
Totals	7	0	41	0	48

Component: Management Services

Contact: Remond Henderson, Director

Tel: (907) 465-2720 Fax: (907) 465-2107 E-mail: Remond_Henderson@labor.state.ak.us

Component Mission

To provide for efficient and effective administrative services in support of the department's programs.

Component Services Provided

Budget planning, monitoring and reporting; federal, state and unemployment insurance trust fund accounting; publication; human resource management; procurement, mail and office space management.

Component Goals and Strategies

IDENTIFY ADMINISTRATIVE SUPPORT NEEDS OF THE DEPARTMENT AND THE TASKS REQUIRED TO MEET THOSE NEEDS, WITH INPUT FROM PROGRAM MANAGERS AND PROGRAM SUPPORT STAFF.

- Use the information gained to develop or change the department's administrative policies and procedures for more efficient and effective administrative support.

Key Component Issues for FY2001 – 2002

Due to continual and sometimes severe backlog in federal reporting, need to analyze process and workload to determine what can be done to bring us into compliance with reporting time frames.

Close out the Job Training Partnership Act grants which ended June 30, 2000.

Complete the reorganization and training of staff in the Fiscal section due to HB40 workload changes and support needed.

Major Component Accomplishments for FY2000

Provided necessary support to integrate nearly 200 additional positions into the department as a result of HB40.

Began a reorganization of the Fiscal section, as a result of the changing workload and support needs, to more efficiently and effectively provide the needed administrative support to financial programs.

Statutory and Regulatory Authority

AS 09.38.115
AS 23.05.060 (3)
AS 36.10
AS 44.31
1 CFR part 15.7
41 CFR parts 29 - 70

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
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	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> The cost of the division compared to personnel costs for the department. 		X			
<ul style="list-style-type: none"> The number of late penalties incurred for payroll or vendor payments. 		X			

Management Services
Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	2,114.0	2,350.2	2,585.9
72000 Travel	19.7	32.2	32.2
73000 Contractual	448.4	312.2	312.2
74000 Supplies	40.1	44.6	44.6
75000 Equipment	62.5	35.0	35.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,684.7	2,774.2	3,009.9
Funding Sources:			
1002 Federal Receipts	1,982.4	2,133.0	2,336.8
1003 General Fund Match	240.1	265.8	405.7
1004 General Fund Receipts	177.6	138.9	0.0
1007 Inter-Agency Receipts	284.6	236.5	267.4
Funding Totals	2,684.7	2,774.2	3,009.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	1,982.4	2,133.0	2,133.0	2,336.8	2,336.8
Interagency Receipts	51015	284.6	236.5	236.5	267.4	267.4
Restricted Total		2,267.0	2,369.5	2,369.5	2,604.2	2,604.2
Total Estimated Revenues		2,267.0	2,369.5	2,369.5	2,604.2	2,604.2

Management Services**Proposed Changes in Levels of Service for FY2002**

Implement centralized reporting and monitoring of all departmental operating budgets and financial activities at the individual program level to provide oversight and assistance in these areas.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	404.7	2,133.0	236.5	2,774.2
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	1.0	3.8	0.9	5.7
Proposed budget increases:				
-Increase Federal and Interagency Authorization to Align with Anticipated Expenditures and Receipts	0.0	200.0	30.0	230.0
FY2002 Governor	405.7	2,336.8	267.4	3,009.9

Management Services**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	44	47	Annual Salaries	1,972,577
Part-time	1	1	COLA	35,108
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	702,097
			<i>Less 4.57% Vacancy Factor</i>	(123,882)
			Lump Sum Premium Pay	0
Totals	45	48	Total Personal Services	2,585,900

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant I	0	0	1	0	1
Accountant II	0	0	4	0	4
Accountant III	0	0	2	0	2
Accountant IV	0	0	2	0	2
Accounting Clerk I	0	0	1	0	1
Accounting Clerk II	0	0	3	0	3
Accounting Spvr I	0	0	1	0	1
Accounting Tech I	0	0	3	0	3
Accounting Tech II	0	0	2	0	2
Administrative Assistant	0	0	2	0	2
Administrative Clerk II	0	0	1	0	1
Administrative Clerk III	1	0	0	0	1
Administrative Manager III	1	0	0	0	1
Administrative Svcs Mgr	0	0	1	0	1
Division Director	0	0	1	0	1
Human Resources Mgr II	0	0	1	0	1
Internal Auditor III	0	0	1	0	1
Mail Clerk Carrier I	0	0	1	0	1
Mail Clerk Carrier II	1	0	1	0	2
Personnel Asst I	1	0	3	0	4
Personnel Specialist I	0	0	3	0	3
Personnel Specialist II	0	0	1	0	1
Procurement Spec I	1	0	1	0	2
Procurement Spec II	0	0	1	0	1
Program Budget Analyst IV	0	0	1	0	1
Program Coordinator	0	0	1	0	1
Publications Spec II	0	0	1	0	1
Publications Tech II	0	0	1	0	1
Student Intern I	0	0	1	0	1
Supply Technician II	1	0	0	0	1
Totals	6	0	42	0	48

Component: Labor Market Information

Contact: Remond Henderson, Director

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Component Mission

To provide accurate and timely economic and demographic data and analysis to assist government, industry, and individuals to make informed choices.

Component Services Provided

- Develops information on employment by industry and occupation, unemployment, wage rates, population, census geography, occupational injuries and fatalities, housing statistics and other economic variables.
- Prepares reports on employment and training program participant's success in gaining employment and on resident hire.

Component Goals and Strategies

- 1) MAXIMIZE THE ACCURACY OF DATA PRODUCED.
 - Meet or exceed all quality standards set by the US Bureau of Labor Statistics (BLS).
- 2) MAXIMIZE THE AVAILABILITY OF DATA PRODUCED.
 - Increase amount of historical data available on the Internet.
 - Work with the US Department of Labor to implement the Workforce Investment Act of 1998 as it relates to this component. New data series, analysis or the reformatting of existing data may be required as this law is implemented.
 - Provide labor market information products and services to the state and local Workforce Investment Boards.
- 3) PROVIDE OBJECTIVE PROGRAM OUTCOME STATISTICS FOR EDUCATION AND TRAINING PROGRAMS USING WAGE RECORDS AND OTHER DATA FILES.
 - Through the Alaska Human Resources Investment Council, work to implement a standardized reporting procedure for recording program outcomes.
- 4) IMPROVE RESPONSE TO AD HOC REQUESTS FOR LABOR MARKET INFORMATION.
 - Upgrade the Public Online Labor market And Research Information System (POLARIS) to the Internet application under development by the LMI-Access consortium of states.

Key Component Issues for FY2001 – 2002

Federal funding from the Bureau of Labor Statistics for basic labor market information is not anticipated to increase. The complexity and resulting workload of these statistical programs has grown significantly in recent years. Resources (funding, staff) available for specific research on Alaska's labor market is not sufficient to meet the continuing increase in requests for information.

Major Component Accomplishments for FY2000

- LMI Web site was ranked 2nd in the nation by the Interstate Conference of Employment Security Agencies
- In cooperation with the US Census Bureau, reviewed and revised much of the mapping data used by the Bureau in the 2000 Census.
- Employment forecasts were completed for two-, and ten-year horizons.
- Provided labor market information to policymakers and line staff through dozens of presentations and workshops.
- Met all federal and state cooperative agreement deliverables.

Statutory and Regulatory Authority

AS 09.38.115
AS 23.05.060 (3)
AS 23.05.130
AS 23.20.022
AS 36.10.005-.990
AS 37.07.050
AS 44.31.020
AS 44.19.626 (d)(3) - (e)

41CFR parts 29 - 70

04 AAC 31.060

Labor Market Information

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	2,002.8	2,106.2	2,414.9
72000 Travel	67.7	77.3	94.3
73000 Contractual	443.7	708.3	769.8
74000 Supplies	21.1	69.6	76.4
75000 Equipment	82.6	50.4	59.2
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,617.9	3,011.8	3,414.6
Funding Sources:			
1002 Federal Receipts	1,075.5	1,177.2	1,289.3
1003 General Fund Match	71.2	72.5	72.8
1004 General Fund Receipts	435.7	445.4	446.9
1007 Inter-Agency Receipts	1,029.4	1,105.4	1,395.4
1108 Statutory Designated Program Receipts	6.1	211.3	210.2
Funding Totals	2,617.9	3,011.8	3,414.6

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	1,075.5	1,177.2	1,192.0	1,289.3	1,219.0
Interagency Receipts	51015	1,029.4	1,105.4	1,221.7	1,395.4	1,383.7
Statutory Designated Program Receipts	51063	6.1	211.3	156.6	210.2	157.0
Restricted Total		2,111.0	2,493.9	2,570.3	2,894.9	2,759.7
Total Estimated Revenues		2,111.0	2,493.9	2,570.3	2,894.9	2,759.7

Labor Market Information**Proposed Changes in Levels of Service for FY2002**

Begin developing monthly seafood harvesting employment estimates, as well as researching methodologies to produce actual counts of seafood harvesting employment and earnings that would be definitionally consistent with other labor market data published by the Labor Market Information component.

Develop a program for the annual creation of community level economic indicators. The indicators will be used to develop two products.

1. Funding allocation models for communities in economic distress
2. Analysis of each community potentially targeted for economic distress assistance

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	517.9	1,177.2	1,316.7	3,011.8
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	1.8	4.3	5.1	11.2
Proposed budget decreases:				
-Decrement to Align Authorization with Expected Revenue	0.0	0.0	-31.2	-31.2
Proposed budget increases:				
-Increase Inter-Agency Authorization for a Demographic Statistical Technician	0.0	0.0	55.0	55.0
-Increase Inter-Agency Authorization for Community Labor Market Analysis	0.0	0.0	75.0	75.0
-Increased Inter-Agency Authorization for Performance And Customer Information Agency Support	0.0	0.0	75.0	75.0
-Increase Inter-Agency Authorization for Seafood Harvesting Employment Study	0.0	0.0	110.0	110.0
-Increase Federal Authorization for America's Career Resource Network (ACRN)	0.0	107.8	0.0	107.8
FY2002 Governor	519.7	1,289.3	1,605.6	3,414.6

Labor Market Information**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	37	42	Annual Salaries	1,832,866
Part-time	0	0	COLA	24,805
Nonpermanent	0	0	Premium Pay	3,403
			Annual Benefits	644,125
			<i>Less 3.60% Vacancy Factor</i>	(90,299)
			Lump Sum Premium Pay	0
Totals	37	42	Total Personal Services	2,414,900

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk III	0	0	1	0	1
Chf Labor Res & Analysis	0	0	1	0	1
Economist II	0	0	1	0	1
Economist III	0	0	1	0	1
Labor Economist II	1	0	14	0	15
Labor Economist III	1	0	6	0	7
Labor Economist IV	0	0	1	0	1
Statistical Clerk	0	0	7	0	7
Statistical Technician I	0	0	4	0	4
Statistical Technician II	0	0	4	0	4
Totals	2	0	40	0	42

Office of the Commissioner Budget Request Unit

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BRU Mission

The mission of the Office of the Commissioner is to provide support and policy direction to divisions within the department.

BRU Services Provided

The Commissioner's Office component provides direction to the department's divisions in the administration of the department's programs.

The Alaska Labor Relations Agency component facilitates the resolution of disputes between organized labor and public employers in the state. The Agency promotes cooperative relations between government and its employees and protects the public's interest in the provision of uninterrupted government services.

The Alaska Human Resource Investment Council facilitates coordination of state workforce development programs in order to better serve Alaska's job seekers and employers.

BRU Goals and Strategies

1) PROMOTE EMPLOYMENT AND TRAINING OPPORTUNITIES FOR ALASKANS

- Increase the public's access to employment services.
- Participate in economic development activities.
- Strengthen the involvement of business and industry in developing Alaska's workforce.
- Monitor the utilization of training dollars and promote increased training opportunities.

2) ASSIST IN PROVIDING UNINTERRUPTED GOVERNMENT SERVICES.

- Conduct training sessions on the Public Employment Relations Act.
- Provide mediation and conciliation services.

Key BRU Issues for FY2001 – 2002

Integrate job training and employment services within the planning process for major state economic development projects.

Prepare and plan for the maximum use of Alaska's resident workforce for the construction and operation of a potential Alaska gas line project.

Ensure efficient delivery of job training services through the new Workforce Investment Act while actively engaging business and industry in its mandated advisory role.

Implement Alaska State Training Employment Program plan.

Provide employment and job training services within the fisheries disaster regions of rural Alaska and other areas experiencing economic distress.

Continue to apply streamlined procedures to reduce the unit clarification backlog. These clarifications determine which bargaining unit a position belongs in.

Major BRU Accomplishments for FY2000

In 1999, 7,194 more Alaskans were employed than in 1998, and wages earned by Alaskans (as determined by Permanent Fund Dividend data) increased by \$169.8 million.

4,723 fewer non-residents worked in Alaska in 1999 than in 1998, while wages leaving Alaska with non-resident workers decreased \$80.8 million.

Transferred the Alaska Human Resources Investment Council from the Office of the Governor to DOL to provide a more direct link with the delivery of employment and job training services.

Established a network to monitor workforce development activities throughout the state and coordinate activities with agencies involved in economic and community development.

Provided timely response to unit clarification petitions, representation and decertification petitions, and strike vote activity.

Office of the Commissioner
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Human Res	0.0	0.0	0.0	0.0	0.0	0.0	407.1	407.1	0.0	0.0	407.9	407.9
Investment Council												
Commissioner's Office	383.2	9.7	107.9	500.8	391.7	80.9	91.7	564.3	393.3	80.5	92.1	565.9
Alaska Labor Relations Agency	322.5	0.0	0.0	322.5	331.7	0.0	0.0	331.7	332.3	0.0	0.0	332.3
Totals	705.7	9.7	107.9	823.3	723.4	80.9	498.8	1,303.1	725.6	80.5	500.0	1,306.1

Office of the Commissioner

Proposed Changes in Levels of Service for FY2002

No change in the level of service is anticipated.

Office of the Commissioner

Summary of BRU Budget Changes by Component

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	723.4	80.9	498.8	1,303.1
Adjustments which will continue current level of service:				
-Human Res Investment Council	0.0	0.0	0.8	0.8
-Commissioner's Office	1.6	-0.4	0.4	1.6
-Alaska Labor Relations Agency	0.6	0.0	0.0	0.6
FY2002 Governor	725.6	80.5	500.0	1,306.1

Component: Unallocated Reduction

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Component Mission

No mission statement.

Component Services Provided

No services provided.

Component Goals and Strategies

No goals and strategies.

Key Component Issues for FY2001 – 2002

No key issues.

Major Component Accomplishments for FY2000

No major accomplishments.

Statutory and Regulatory Authority

No statutes and regulations.

Unallocated Reduction

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	0.0	0.0	0.0
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	0.0	0.0
Funding Sources:			
None.			
Funding Totals	0.0	0.0	0.0

Unallocated Reduction**Proposed Changes in Levels of Service for FY2002**

No service changes.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	0.0	0.0
FY2002 Governor	0.0	0.0	0.0	0.0

Component: Alaska Human Resources Investment Council

Contact: Mike Shiffer, Acting Executive Director

Tel: (907) 269-7485 **Fax:** (907) 269-7489 **E-mail:** Mike_Shiffer@gov.state.ak.us

Component Mission

Facilitate the process that creates and maintains an efficient, effective, and integrated human resource investment system that provides employment education and training services to assure Alaska's employers have a skilled workforce and Alaska workers have employment choices. The AHRIC provides oversight for program coordination among Alaska's human resource investment programs, performs evaluations of program performance, and provides recommendations for human resource investment program improvement to the Governor and the Legislature.

Component Services Provided

- Single point of contact with programs, legislature and administration for reporting program performance and system activity.
- Increase coordination, cost-effectiveness, and reduce duplication of effort between programs to serve job seekers and employers.

Component Goals and Strategies

- Develop an efficient, effective, and integrated human resource investment system benefiting both Alaska's employers and workforce.
- Evaluate each program under AHRIC's oversight to optimize participant employability.
- Ensure access to quality employment education, training and employment services statewide, particularly to rural areas and for economically disadvantaged citizens.
- Strengthen the involvement of business and industry in developing Alaska's workforce.
- Advocate for Alaska's human resource investment programs and promote continuous improvement through evaluation, access, quality and employer involvement.

Key Component Issues for FY2001 – 2002

- * Continue Implementation of Workforce Investment Act.
- * Continue implementation of 1999 state legislation affecting AHRIC.
- * Implement Alaska State Training Employment Program plan.
- * Perform continuing industry needs assessment for developing strategies.

Major Component Accomplishments for FY2000

- * Established performance standards for employment and training programs
- * Provided third program report to Governor and Legislature with benchmarks for program assessment.
- * Developed the statewide vocational education blueprint
- * Promulgated regulations governing the AHRIC and State Training Employment Program.

Statutory and Regulatory Authority

AS 44.19.620-627
AS 23.15.550-810

Alaska Human Resources Investment Council

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	265.7	285.7
72000 Travel	0.0	58.0	48.4
73000 Contractual	0.0	74.9	65.3
74000 Supplies	0.0	3.5	3.5
75000 Equipment	0.0	5.0	5.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	407.1	407.9
Funding Sources:			
1007 Inter-Agency Receipts	0.0	407.1	407.9
Funding Totals	0.0	407.1	407.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	0.0	407.1	407.1	407.9	407.9
Restricted Total		0.0	407.1	407.1	407.9	407.9
Total Estimated Revenues		0.0	407.1	407.1	407.9	407.9

Alaska Human Resources Investment Council
Proposed Changes in Levels of Service for FY2002

No service changes are anticipated.

Summary of Component Budget Changes
From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	407.1	407.1
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	0.8	0.8
FY2002 Governor	0.0	0.0	407.9	407.9

Alaska Human Resources Investment Council

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	4	4	Annual Salaries	218,992
Part-time	0	0	COLA	5,213
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	69,346
			<i>Less 2.67% Vacancy Factor</i>	(7,851)
			Lump Sum Premium Pay	0
Totals	4	4	Total Personal Services	285,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Executive Director	1	0	0	0	1
Project Coordinator	3	0	0	0	3
Totals	4	0	0	0	4

Component: Commissioner's Office

Contact: Ed Flanagan, Commissioner

Tel: (907) 465-2700 **Fax:** (907) 465-2784 **E-mail:** Ed_Flanagan@labor.state.ak.us

Component Mission

To foster and promote the welfare of the wage earners of the state, improve their working conditions and advance their opportunities for profitable employment.

Component Services Provided

The department's programs affect all Alaskan workers and employers within the state. Strong direction from the Commissioner's Office is critical to the success of the services the Department of Labor provides.

Component Goals and Strategies

- 1) DIRECT THE EFFICIENT ADMINISTRATION OF DEPARTMENTAL PROGRAMS.
 - Monitor the performance of each division to assure that division goals are met.
- 2) ENSURE THAT ALASKAN WORKERS ARE: PROVIDED SAFE AND HEALTHY WORKPLACES AND COMMUNITIES; PROTECTED FROM ECONOMIC HARDSHIP WHEN INJURED ON THE JOB; RECEIVE WAGES AND OVERTIME PAY IN ACCORDANCE WITH THE ALASKA WAGE ACT.
 - Work with legislators, industry associations, employers and labor organizations to explore and develop non-general fund revenue sources to maintain adequate levels of service.
- 3) PROMOTE EMPLOYMENT OPPORTUNITIES FOR THE STATE'S LABOR FORCE.
 - Participate in economic development activities within the state.
 - Promote the expansion of training opportunities for Alaskans.

Key Component Issues for FY2001 – 2002

Integrate job training and employment services within the planning process for major state economic development projects.

Prepare and plan for the maximum use of Alaska's resident workforce for the construction and operation of a potential Alaska gas line project.

Through employment and job training services, participate in multi-agency effort (Operation Renew Hope) to alleviate economic distress in fisheries disaster sections of rural Alaska.

Coordinate the employment and job training function for multi-departmental efforts to assist communities experiencing economic distress.

Major Component Accomplishments for FY2000

In 1999, 7,194 more Alaskans were employed than in 1998, and wages earned by Alaskans (as determined by Permanent Fund Dividend data) increased by \$169.8 million.

4,723 fewer non-residents worked in Alaska in 1999 than in 1998, while wages leaving Alaska with non-resident workers decreased \$80.8 million.

The Commissioner's Office established a multi-agency network (the Regional Economic Development Initiative) to coordinate activities related to regional economic and workforce development.

The Commissioner's Office participated in the planning and implementation of Operation Renew Hope, a multi-agency effort to aid the fisheries disaster areas of rural Alaska.

Statutory and Regulatory Authority

AS 05.20
 AS 08.18, 08.52
 AS 16.10.280
 AS 18.31, 18.60, 18.62, 18.63
 AS 23
 AS 36
 AS 37.07
 AS 42.40.705 - 42.40.890
 AS 44.31
 CH 95, SLA 89
 CH 17, SLA 91
 CH 17, SLA 93

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> The percentage of divisions in the department that meet assigned measures. 		X			
<ul style="list-style-type: none"> The number of financial audit exceptions resolved. 		X			

Commissioner's Office

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	431.1	474.8	476.4
72000 Travel	25.2	22.2	22.2
73000 Contractual	37.2	56.8	56.8
74000 Supplies	7.3	8.7	8.7
75000 Equipment	0.0	1.8	1.8
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	500.8	564.3	565.9
Funding Sources:			
1002 Federal Receipts	9.7	80.9	80.5
1004 General Fund Receipts	383.2	391.7	393.3
1007 Inter-Agency Receipts	107.9	91.7	92.1
Funding Totals	500.8	564.3	565.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	9.7	80.9	80.9	80.5	80.5
Interagency Receipts	51015	107.9	91.7	91.7	92.1	92.1
Restricted Total		117.6	172.6	172.6	172.6	172.6
Total Estimated Revenues		117.6	172.6	172.6	172.6	172.6

Commissioner's Office**Proposed Changes in Levels of Service for FY2002**

No changes are anticipated to levels of service.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	391.7	80.9	91.7	564.3
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	1.6	-0.4	0.4	1.6
FY2002 Governor	393.3	80.5	92.1	565.9

Commissioner's Office**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	6	6	Annual Salaries	370,807
Part-time	0	0	COLA	7,444
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	111,409
			<i>Less 2.71% Vacancy Factor</i>	(13,260)
			Lump Sum Premium Pay	0
Totals	6	6	Total Personal Services	476,400

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Commissioner	0	0	1	0	1
Dep Commissioner	0	0	1	0	1
Exec Secretary I	0	0	1	0	1
Internal Auditor III	0	0	1	0	1
Regulations Spec II	0	0	1	0	1
Spec Asst To The Comm II	0	0	1	0	1
Totals	0	0	6	0	6

Component: Alaska Labor Relations Agency

Contact: Mark Torgerson, Hearing Examiner

Tel: (907) 269-4895 **Fax:** (907) 269-4898 **E-mail:** Mark_Torgerson@labor.state.ak.us

Component Mission

To administer the Public Employment Relations Act and the labor relations provisions of the Alaska Railroad Corporation Act, thereby promoting cooperative relations between government and its employees and protecting the public by assuring effective and orderly operations of government.

Component Services Provided

- Conducts elections on union representation for collective bargaining.
- Investigates unfair labor practice complaints, unit composition disputes, representation and other issues.
- Provides mediation and conciliation services where appropriate.
- Conducts hearings and issues decisions.
- Considers employee claims for religious exemption from the obligation to pay monthly union dues.
- Determines strike eligibility of employees.
- Conducts periodic public meetings and training.

Component Goals and Strategies

- 1) ASSIST IN PROVIDING UNINTERRUPTED GOVERNMENT SERVICES TO THE PUBLIC.
 - Conduct all certification and decertification elections within statutory requirements.
 - Reduce the time to complete investigations and issue decisions.
 - Provide mediation and conciliation services in appropriate cases.
- 2) REDUCE BACKLOG OF CASES.
 - Continue to apply streamlined procedures to bargaining unit clarification cases to further reduce backlog.
 - Apply revised procedures on unfair labor practices to reduce the time to complete investigations.
- 3) INCREASE AWARENESS OF PROGRAMS AND PROCEDURES.
 - Conduct outreach to employees and labor organizations in Anchorage, Fairbanks, and Juneau.
 - Issue two agency newsletters to keep public informed of related activities, and provide training.
 - Participate in monthly meetings of the Industrial Relations Research Association.
 - Assist in reorganizing the Industrial Relations Research Association.

Key Component Issues for FY2001 – 2002

Although we have reduced the bargaining unit clarification backlog, we have not yet eliminated it. Unit clarification petitions continue to comprise the largest percentage of the Agency's caseload. These clarifications determine which bargaining unit a position belongs in. By applying our streamlined procedures, we are continuing to decrease the unit clarification backlog that began in 1996.

The Agency is currently reviewing regulations for possible revision, including amendment or deletion. An issue for FY2001-02 is to assure the completion of this process.

Major Component Accomplishments for FY2000

- Applied streamlined unit clarification procedures which reduced the backlog of petitions on the supervisory status of State employees by approximately 79 cases (73%).
- Processed six representation and decertification petitions in FY2000. Closed three petitions due to insufficiency. One pending petition (filed by City of Fairbanks General Government Employees Association) seeks certification as the exclusive representative and decertification of the current representative (Alaska Public Employees Association). One employee group (Alaska Court System) voted not to be represented in collective bargaining. The sixth petition (for certification of a new unit of maintenance, clerical, and office staff employees at Bering Straits Regional Housing Authority) resulted in an election in FY2001.
- Monitored strike vote activity for five collective bargaining units in FY2000. Monitored the strike vote of the Alaska State Employees Association, and investigated objections to the conduct of the strike vote. Monitored the strike vote of the Ketchikan Education Association, NEA-Alaska, which resulted in a brief strike before ratification by teachers. Monitored Inlandboatmen's Union of the Pacific strike vote petition, which was resolved short of a strike vote. Monitored Anchorage Education Association strike vote petition, which was settled due to contract ratification. Dismissed one strike class determination petition for general government employees at the Department of Motor Vehicles due to agreement of parties.
- Issued amended certification of a unit of maintenance and custodial Alaska Housing Finance Corporation employees to show a name change to Alaska Housing Maintenance & Custodians Local 6082/Alaska Public Employees Association/AFT, AFL-CIO.
- Continued to cross-train staff to allow more flexibility in handling workload priorities.

Statutory and Regulatory Authority

AS 23.05.360-23.05.390
AS 23.40.070-23.40.260
AS 42.40.705-42.40.890
8 AAC 97.010-990

Alaska Labor Relations Agency

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	275.9	283.8	287.4
72000 Travel	10.4	14.5	13.0
73000 Contractual	26.3	28.1	27.6
74000 Supplies	6.5	4.9	3.9
75000 Equipment	3.4	0.4	0.4
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	322.5	331.7	332.3
Funding Sources:			
1004 General Fund Receipts	322.5	324.3	332.3
1053 Investment Loss Trust Fund	0.0	7.4	0.0
Funding Totals	322.5	331.7	332.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<u>Unrestricted Revenues</u>						
Investment Loss Trust Fund	51393	0.0	7.4	7.4	0.0	0.0
Unrestricted Total		0.0	7.4	7.4	0.0	0.0
<u>Restricted Revenues</u>						
None.		0.0	0.0	0.0	0.0	0.0
Restricted Total		0.0	0.0	0.0	0.0	0.0
Total Estimated Revenues		0.0	7.4	7.4	0.0	0.0

Alaska Labor Relations Agency**Proposed Changes in Levels of Service for FY2002**

No major changes to component services are anticipated for FY 2002.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	331.7	0.0	0.0	331.7
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.6	0.0	0.0	0.6
FY2002 Governor	332.3	0.0	0.0	332.3

Alaska Labor Relations Agency

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	4	4	Annual Salaries	218,775
Part-time	0	0	COLA	5,110
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	69,283
			<i>Less 1.97% Vacancy Factor</i>	(5,768)
			Lump Sum Premium Pay	0
Totals	4	4	Total Personal Services	287,400

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk III	1	0	0	0	1
Hearing Examiner	1	0	0	0	1
Hearing Officer	1	0	0	0	1
Personnel Specialist I	1	0	0	0	1
Totals	4	0	0	0	4

Workers' Compensation Budget Request Unit

Contact: Paul Grossi, Director

Tel: (907) 465-2790 **Fax:** (907) 465-2797 **E-mail:** Paul_Grossi@labor.state.ak.us

BRU Mission

The mission of the Division of Workers' Compensation is to ensure that injured Alaska workers receive fair benefits.

BRU Services Provided

The Workers' Compensation component is the administrative arm of the Board, enforcing the Workers' Compensation Act.

The Fishermen's Fund component provides for the care and treatment of Alaska commercial fishermen whose injuries or illnesses are directly connected to operations as fishermen on shore or in Alaska waters.

The Second Injury Fund component ensures that workers' compensation insurance premiums for employees suffering from a condition caused by an earlier injury are equivalent to those of able-bodied workers.

BRU Goals and Strategies

- 1) ASSURE THAT EMPLOYEES ARE PROPERLY COMPENSATED FOR THEIR WORK RELATED INJURIES OR ILLNESSES AND THAT EMPLOYERS ARE PROTECTED FROM BEING SUED BY EMPLOYEES FOR WORK RELATED INJURIES.
 - Perform uninsured employer investigations.
 - Maintain database of all aspects of workers' compensation in the State of Alaska.
 - Develop efficiencies with the new Information Handling System.
 - Improve mediation process for workers' compensation disputes.
 - Provide for general compliance with the Workers' Compensation Act.
- 2) REDUCE PENALTIES PAID TO SECOND INJURY FUND.
 - Enforce late filing penalties to encourage timely submission of compensation reports.
 - Develop efficient method of recording and crediting Second Injury Fund payments.
- 3) INCREASE COMMUNICATION AND CREATE EFFICIENCIES TO REDUCE THE FINANCIAL BURDEN ON FISHERMEN.
 - Research and determine feasibility of developing and implementing an electronic information handling system which will be compatible with electronic filing.
 - Enhance services to fishermen and providers by meeting with hospital administrators and fishing organizations to discuss the program, problems and suggestions for improvement.
 - Improve communications with insurance carriers, fishermen and providers.
 - Continue to improve and refine the Fishermen and Physician's Reports of Injury/Illness.

- Further revise and simplify the Fishermen's Fund booklet.

Key BRU Issues for FY2001 – 2002

- Increase staffing to decrease the hearing time lag in order to reduce the burden and expense to employers and employees.
- Continue investigations of potentially uninsured employers in an attempt to eliminate the number of uninsured Alaskan workers that are injured each year. FY00 again saw a dramatic decrease in the number of uninsured work related injuries which suggests continuing efforts in this area.
- Due to the Supreme Court decision in Arctic Bowl v Second Injury Fund there has been an increase in the number of approvals for recovery from the Fund. As a result, a supplemental will be requested for FY01 and an increment is being requested for FY02. This needs to be followed closely to assure that there are sufficient funds to cover increased liabilities.
- Research and pursue the possibility of electronic filing of annual reports and all other reporting to provide greater access to businesses and the public and to create another avenue of conducting workers' compensation business. To that end, a pilot project is being initiated in one program to assist in determining feasibility.
- The Fishermen's Fund has been using an outdated computerized database and claims handling system that is becoming obsolete and will soon be unsupportable. Consequently there is a need for a new claims handling system.
- Increase Alaska commercial fishermen's awareness of program through meetings, speaking engagements and availability of literature related to the program. This continues to be a key issue of this program due to nature and level of activity in this industry.
- Strive to further improve the response time in the processing of claims, invoices and responding to inquiries.

Major BRU Accomplishments for FY2000

- This BRU developed enhancements to the new Information Handling System computer program allowing greater and more accurate availability of workers' compensation data.
- There was a significant reduction of uninsured injuries accomplished through continued investigative efforts.
- The Second Injury Fund received approximately 80% of the annual reports electronically and approximately 95% of all annual reports were filed timely.
- As a result of Council recommendations, the Fishermen and Physician's Reports of Injury/Illness and informational booklet continue to be revised and simplified.
- The Fishermen's Fund has increased communications with providers which has resulted in improved service.

Workers' Compensation
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Fishermens Fund	0.0	0.0	702.3	702.3	0.0	0.0	1,306.7	1,306.7	0.0	0.0	1,307.8	1,307.8
Workers' Compensation	2,395.8	0.0	41.5	2,437.3	1,405.9	0.0	1,046.1	2,452.0	827.1	0.0	1,730.9	2,558.0
Second Injury Fund	0.0	0.0	2,854.4	2,854.4	0.0	0.0	2,862.6	2,862.6	0.0	0.0	3,178.6	3,178.6
Totals	2,395.8	0.0	3,598.2	5,994.0	1,405.9	0.0	5,215.4	6,621.3	827.1	0.0	6,217.3	7,044.4

Workers' Compensation**Proposed Changes in Levels of Service for FY2002**

This BRU intends to increase overall effectiveness, industry awareness and the level of services, and number of hearings, as well as the number of uninsured employer investigations.

Workers' Compensation**Summary of BRU Budget Changes by Component****From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	1,405.9	0.0	5,215.4	6,621.3
Adjustments which will continue current level of service:				
-Fishermens Fund	0.0	0.0	-1.2	-1.2
-Workers' Compensation	-678.8	0.0	684.8	6.0
-Second Injury Fund	0.0	0.0	-0.3	-0.3
Proposed budget increases:				
-Fishermens Fund	0.0	0.0	2.3	2.3
-Workers' Compensation	100.0	0.0	0.0	100.0
-Second Injury Fund	0.0	0.0	316.3	316.3
FY2002 Governor	827.1	0.0	6,217.3	7,044.4

Component: Fishermens Fund

Contact: Paul Grossi, Director

Tel: (907) 465-2790 **Fax:** (907) 465-2797 **E-mail:** Paul_Grossi@labor.state.ak.us

Component Mission

Provide assistance with the medical costs of injuries or illnesses due to commercial fishing activities on shore or in state waters.

Component Services Provided

The Fishermen's Fund, established in 1951, provides funds for the care and treatment of Alaska licensed commercial fishermen whose injuries or illnesses are directly connected to operations as fishermen. The Fund is not an insurance program, but an emergency fund payer of last resort.

The Fishermen's Fund revenue is generated through the sales of commercial fishing licenses and permits to both resident and non-residents. Sales of these licenses and permits are designated for the Fishermen's Fund at a fixed percentage (39% effective Jan. 1, 2000) of all commercial fishing licenses sold by all vendors and a fixed amount for all permits issued by the Commercial Fisheries Entry Commission.

Component Goals and Strategies

- 1) REDUCE THE FINANCIAL BURDEN OF MEDICAL EXPENSES ON FISHERMEN BY MAKING THEM AWARE OF PROGRAM BENEFITS AND REQUIREMENTS.
 - The Fishermen's Fund Administrator and/or Council Chair plan on meeting with fishermen, medical providers, harbor masters and other interest groups a minimum of five times during FY2002 to discuss this program and answer questions.
 - As a result of recent Council recommendations, the Fishermen and Physician's Reports of Injury/Illness will continue to be revised and simplified. In the past, these forms have presented some confusion in how they were to be completed and who was to complete them. This component is striving to provide more simplified versions of these forms.
- 2) PROVIDE BENEFITS IN A COST EFFECTIVE, TIMELY MANNER.
 - Research and determine the feasibility of developing and implementing an electronic information handling system which will be compatible with electronic filing.
 - Continue to improve communications with insurance carriers and medical providers through discussion and timely processing of provider payments.
 - Continue to monitor and attempt to improve response time to fishermen and providers by improving procedures and focusing staff responsibilities to more effectively utilize resources.

Key Component Issues for FY2001 – 2002

- This component has been using an outdated computerized database and claims handling system that is becoming obsolete and will soon be unsupportable. Consequently there is a need for a new claims handling system.

- Fishermen continue to either be unaware of this program or not understand the requirements of the program and the benefits for which they may be eligible. Meetings and discussions are scheduled and a toll free telephone line will be continued.
- Continue to monitor bill processing and other tasks in an attempt to further improve response time and overall program performance. In the past, correspondence, bill processing and other tasks were not tracked or measured and, as a result, often took much more than 20 days. The measurement and tracking system implemented by this component continues to reduce response time and is expected to produce even further improvements.
- Medical providers continue to be ill informed regarding the submission and completion of claims. As a result the Fishermen's Fund has made an effort to educate and increase communications with various providers throughout the State.

Major Component Accomplishments for FY2000

- In FY00, this component continued the revisions of the Fishermen and Physician's Reports of Injury/Illness form and informational booklet in an ongoing effort to simplify this information for both the fishermen and the providers.
- The Fishermen's Fund Administrator and the Division Director attended several informational meetings with fishermen and medical providers in Alaska. In recent years a sincere effort has been made to improve interaction and understanding between this program, the fishermen and medical providers. There has also been an effort to increase telephonic and electronic communications between the Fisherman's Fund and medical providers to enhance faster payment.

Statutory and Regulatory Authority

AS 23.35
8 AAC 55

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
• The average time taken for completion of a Fishermen's Fund claim.		X			

Fishermens Fund

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	127.2	149.1	147.4
72000 Travel	13.3	18.2	18.2
73000 Contractual	55.5	90.3	263.1
74000 Supplies	2.4	5.7	5.7
75000 Equipment	4.4	4.0	4.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	499.5	1,039.4	869.4
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	702.3	1,306.7	1,307.8
Funding Sources:			
1032 Disabled Fishermans Reserve Account	702.3	1,306.7	1,307.8
Funding Totals	702.3	1,306.7	1,307.8

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<u>Unrestricted Revenues</u>						
Disabled Fishermans Reserve Account	51080	1,187.1	1,306.7	1,197.0	1,307.8	1,193.4
Unrestricted Total		1,187.1	1,306.7	1,197.0	1,307.8	1,193.4
<u>Restricted Revenues</u>						
None.		0.0	0.0	0.0	0.0	0.0
Restricted Total		0.0	0.0	0.0	0.0	0.0
Total Estimated Revenues		1,187.1	1,306.7	1,197.0	1,307.8	1,193.4

Fishermens Fund**Proposed Changes in Levels of Service for FY2002**

This component intends to continue to increase overall effectiveness and industry awareness of the program through presentations by the Administrator and Council Chair at major industry symposiums and meetings with fishermen organizations, medical providers and interest groups.

The component is also expanding telephonic and electronic communication between the Fund and medical providers to increase efficiencies related to the processing of claims.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	1,306.7	1,306.7
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-1.2	-1.2
Proposed budget increases:				
-Adjust Personal Services Authorization for Year 2 Labor Costs	0.0	0.0	2.3	2.3
FY2002 Governor	0.0	0.0	1,307.8	1,307.8

Fishermens Fund**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	3	3	Annual Salaries	108,380
Part-time	0	0	COLA	1,838
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	41,691
			<i>Less 3.00% Vacancy Factor</i>	(4,557)
			Lump Sum Premium Pay	0
Totals	3	3	Total Personal Services	147,352

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Worker Comp Off II	0	0	1	0	1
Worker Comp Technician	0	0	2	0	2
Totals	0	0	3	0	3

Component: Workers' Compensation

Contact: Paul Grossi, Director

Tel: (907) 465-2790 **Fax:** (907) 465-2797 **E-mail:** Paul_Grossi@labor.state.ak.us

Component Mission

To ensure that eligible Alaskan workers are provided adequate medical care, prompt payment of benefits and, if needed, voluntary rehabilitative services.

To provide protection to employers from being sued in court by employees for workplace injuries.

Component Services Provided

The Workers' Compensation Act, enacted in 1962, established a Board, currently consisting of 13 members, which helps establish policy regarding its mission, approves regulations and adjudicates disputes between employers and employees. This component is the administrative arm of the Board, investigating uninsured employers, tracking and recording all aspects of workers' compensation and providing information as requested. Other services include mediating workers' compensation disputes between employees and employers and attempting to resolve them informally. The program conducts prehearings and formal hearings, issues formal decisions and orders that are appealable to the courts, administers the volunteer reemployment benefits program and provides for general compliance with the Act.

Component Goals and Strategies

- 1) ASSURE THAT EMPLOYEES ARE PROPERLY COMPENSATED FOR THEIR WORK RELATED INJURIES OR ILLNESSES AND PROTECT EMPLOYERS FROM BEING SUED BY WORKERS FOR WORK RELATED INJURIES.
 - Identify and investigate uninsured employers to ensure all Alaskan workers who suffer a work related injury or illness are provided financial and medical benefits.
 - Maintain a database of all aspects of workers' compensation activity in the State of Alaska.
 - Mediate workers' compensation disputes between employers and employees and attempt to resolve them informally through prehearings.
 - Conduct formal hearings before panels of the Workers' Compensation Board when an informal prehearing has not been successful. All Decision and Orders of the Board are appealable to the courts.
 - Administer the volunteer reemployment benefits program which offers training to those injured workers whom, because of their workplace injuries, cannot return to their jobs.
- 2) IMPROVE PROCESS TO ENABLE INJURED WORKERS TO RECEIVE SERVICES QUICKLY AND EFFICIENTLY.
 - Reduce hearing time lag so that cases can be heard and decided sooner, reducing burden and expense to affected parties.
 - Continue to provide information to the public and all interested parties through walk-in visits or by fax, mail, email or telephone resulting in a greater understanding of the workers' compensation system among the affected parties.
 - Develop efficiencies with the new Information Handling System.

- Pursue development of electronic data interchange (EDI) systems and internet filing systems to enhance the new information handling system and further increase efficiencies.

Key Component Issues for FY2001 – 2002

- Increase staffing by at least one additional hearing officer officer to lessen the back log and time lag in cases that require formal hearing.
- Increase claimant awareness and understanding of their rights under the Alaska Workers' Compensation Act.
- Investigate uninsured employers to enforce compliance with the law.

Major Component Accomplishments for FY2000

- Worked with the legislature and stakeholders to pass HB 378 that will allow for alternative funding for the agency through the implementation of a fees based payer system.
- Worked with the Workers' Compensation Labor and Management Committee and the legislature to pass HB 419 which provides much needed workers' compensation reform.
- Implementation of the workers' compensation information handling system. This system allows more accurate and detailed tracking of all workers' compensation activity, i.e. individual claims, employer, insurer and adjuster information, and individual rehabilitation information.

Statutory and Regulatory Authority

AS 23.30
8 AAC 45
8 AAC 46

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> • The average time taken from a compensation hearing request until the date on which the hearing is scheduled. 			X		
<ul style="list-style-type: none"> • The number of workplace injuries. 			X		

Workers' Compensation

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,824.1	1,941.0	2,027.0
72000 Travel	56.4	43.0	46.7
73000 Contractual	309.3	251.0	256.0
74000 Supplies	50.9	53.0	57.3
75000 Equipment	39.1	7.4	14.4
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	157.5	156.6	156.6
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,437.3	2,452.0	2,558.0
Funding Sources:			
1004 General Fund Receipts	2,383.8	1,346.7	797.2
1005 General Fund/Program Receipts	12.0	29.9	29.9
1007 Inter-Agency Receipts	41.5	46.1	46.5
1053 Investment Loss Trust Fund	0.0	29.3	0.0
1157 Workers Safety and Compensation Administration Account	0.0	1,000.0	1,684.4
Funding Totals	2,437.3	2,452.0	2,558.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Investment Loss Trust Fund	51393	0.0	29.3	29.3	0.0	0.0
Unrestricted Fund	68515	3.5	0.0	4.0	0.0	4.0
Unrestricted Total		3.5	29.3	33.3	0.0	4.0
Restricted Revenues						
Interagency Receipts	51015	41.5	46.1	45.0	46.5	46.1
General Fund Program Receipts	51060	0.0	29.9	29.9	29.9	29.9
Workers Safety & Compensation Admin	51078	0.0	1,000.0	1,000.0	1,684.4	2,084.4
Restricted Total		41.5	1,076.0	1,074.9	1,760.8	2,160.4
Total Estimated Revenues		45.0	1,105.3	1,108.2	1,760.8	2,164.4

Workers' Compensation**Proposed Changes in Levels of Service for FY2002**

Increase effectiveness and level of services through efficiencies derived from the new Information Handling System.

Increase the number of hearings to reduce the hearing time lag and backlog.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	1,405.9	0.0	1,046.1	2,452.0
Adjustments which will continue current level of service:				
-Change GF source to new Workers' Safety Fund	-684.4	0.0	684.4	0.0
-Year 2 Labor Costs - Net Change from FY2001	5.6	0.0	0.4	6.0
Proposed budget increases:				
-Increment to fund Hearing Officer Position and Associated Costs	100.0	0.0	0.0	100.0
FY2002 Governor	827.1	0.0	1,730.9	2,558.0

Workers' Compensation**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	33	35	Annual Salaries	1,576,000
Part-time	2	1	COLA	21,647
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	546,625
			<i>Less 5.47% Vacancy Factor</i>	(117,272)
			Lump Sum Premium Pay	0
Totals	35	36	Total Personal Services	2,027,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	4	1	3	0	8
Administrative Clerk III	1	0	1	0	2
Administrative Manager III	0	0	1	0	1
Administrative Supervisor	1	0	0	0	1
Chf Adjud Worker Comp	1	0	0	0	1
Division Director	0	0	1	0	1
Microfilm Equip Op I	0	0	1	0	1
Reemployment Benefits Adm	1	0	0	0	1
Worker Comp Hearing Off	5	1	1	0	7
Worker Comp Off I	2	0	1	0	3
Worker Comp Off II	3	1	1	0	5
Worker Comp Technician	3	0	2	0	5
Totals	21	3	12	0	36

Component: Second Injury Fund

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Component Mission

To reimburse employers for compensation paid to employees involved in a second injury.

Component Services Provided

- This unit determines whether or not a Petition to Join Second Injury is approved based on research and analysis of unique criteria. If a claim is approved, the Second Injury Fund reimburses the employer for time loss benefits paid beyond 104 weeks. This component monitors all claims being reimbursed by the Fund, deposits and credits Fund contributions and assesses penalties for the filing of late compensation reports.
- This unit ensures that workers' compensation insurance premiums for handicapped employees are equivalent to those of able-bodied workers by limiting the liability of an employer to the amount of compensation which would be due an able-bodied employee, whether or not the worker was already suffering from a condition caused by an earlier injury.

Component Goals and Strategies

1) MONITOR AND ADMINISTER SECOND INJURY FUNDS

- Continue efforts to reduce the amount of penalties currently paid by insurance companies for late compensation report filings through increased communication with insurance companies and increased awareness of the legal reporting requirements.
- A new databases has been developed to allow a more efficient method of recording and crediting Second Injury Fund payments to various claims. Further DP development is needed to complete the redesign that will extract SIF contribution data from annual reports and automatically post it to the corresponding claims payment screen for verification.

Key Component Issues for FY2001 – 2002

- Continue to enforce timely filing of compensation reports and reduce the number of late filings received. Late filings create additional work for staff due to affidavits that must be prepared and mailed to the insurer. Late filings also result in claims payment information being inaccurate.
- Due to the Supreme Court decision in Arctic Bowl v Second Injury Fund there has been an increase in the number of approvals for recovery from the Fund. As a result, a supplemental will be requested for FY01 and an increment is being requested for FY02. This needs to be followed closely to assure that there are sufficient funds to cover increased liabilities.

Major Component Accomplishments for FY2000

- Through administrative efficiencies the time lag between petitions for Second Injury Fund recovery and decision was significantly reduced.

Statutory and Regulatory Authority

AS 23.30

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none">The average time taken between filing a Second Injury Fund petition and the issuance of a decision.		X			

Second Injury Fund

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	154.3	157.2	157.4
72000 Travel	0.0	2.5	2.5
73000 Contractual	48.9	79.9	79.9
74000 Supplies	3.2	5.2	5.2
75000 Equipment	2.3	8.0	8.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	2,645.7	2,609.8	2,925.6
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,854.4	2,862.6	3,178.6
Funding Sources:			
1007 Inter-Agency Receipts	1.6	4.8	4.8
1031 Second Injury Fund Reserve Account	2,852.8	2,857.8	3,173.8
Funding Totals	2,854.4	2,862.6	3,178.6

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Second Injury Fund Reserve Account	51075	2,709.7	2,857.8	3,186.7	3,173.8	3,179.9
Unrestricted Total		2,709.7	2,857.8	3,186.7	3,173.8	3,179.9
Restricted Revenues						
Interagency Receipts	51015	1.6	4.8	4.7	4.8	4.8
Restricted Total		1.6	4.8	4.7	4.8	4.8
Total Estimated Revenues		2,711.3	2,862.6	3,191.4	3,178.6	3,184.7

Second Injury Fund**Proposed Changes in Levels of Service for FY2002**

The Second Injury Fund expects to maintain the same effective level of service.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	2,862.6	2,862.6
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-0.3	-0.3
Proposed budget increases:				
-Increment To Grants Line For Anticipated Claims	0.0	0.0	315.8	315.8
-Adjust Personal Services Authorization for Year 2 Labor Costs	0.0	0.0	0.5	0.5
FY2002 Governor	0.0	0.0	3,178.6	3,178.6

Second Injury Fund

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	3	3	Annual Salaries	117,488
Part-time	0	0	COLA	1,398
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	43,400
			<i>Less 3.00% Vacancy Factor</i>	(4,869)
			Lump Sum Premium Pay	0
Totals	3	3	Total Personal Services	157,417

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	0	0	1	0	1
Worker Comp Off II	0	0	1	0	1
Worker Comp Technician	0	0	1	0	1
Totals	0	0	3	0	3

Labor Standards and Safety Budget Request Unit

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BRU Mission

The mission of the Division of Labor Standards and Safety is to provide for the monitoring of safe and legal working conditions.

BRU Services Provided

This division provides oversight, enforcement, consultation and training services relating to wage and hour laws, employment preference, child labor laws, and occupational safety and health; licensing enforcement of construction contractors, and electrical and mechanical administrators; certification of electricians, power linemen, plumbers, blasters and painters; certification and training for individuals who work with toxic and hazardous substances; and inspections of electrical and mechanical systems for code compliance.

BRU Goals and Strategies

- 1) EDUCATE EMPLOYERS AND EMPLOYEES ABOUT ALASKA LABOR LAWS AND ENSURE PROPER COMPENSATION TO ALASKAN WORKERS.
 - Keep the public informed of labor laws and services the agency provides through seminars, briefings, on-site outreach, and participation in various employment/human resource conferences.
 - Monitor and audit certified payrolls for public construction projects for compliance with prevailing wage laws.
- 2) DECREASE BACKLOG OF BOILER AND PRESSURE VESSEL INSPECTIONS.
 - Continue cross-training of plumbing inspectors (per 1999 law change) for limited boiler and pressure vessel inspections.
- 3) IMPROVE KNOWLEDGE OF ELECTRICIANS AND PLUMBERS.
 - Provide a total of sixteen 8-hour continuing education classes.
- 4) MAINTAIN CURRENT LEVEL OF INSPECTIONS IN THE PLUMBING AND ELECTRICAL, ELEVATOR AND RECREATIONAL DEVICE PROGRAMS TO ENSURE PUBLIC SAFETY.
- 5) IMPROVE AND PROMOTE SAFETY AND HEALTH IN THE WORKPLACE, AND REDUCE ACCIDENTAL DEATH AND INJURIES.
 - Increase programmed enforcement inspections and comprehensive visits in construction, logging and seafood processing industries.
 - Increase employer and worker awareness of and involvement in safety and health practices through additional public service announcements, newspapers and other means of public notice.
 - Increase the number of training sessions and student attendance.

Key BRU Issues for FY2001 – 2002

- Maintenance of current enforcement levels of minimum wage, overtime, and child labor and public contract laws state-wide with limited available resources.
- Meeting the objectives set out in the Federal Fiscal Year 2000 Annual Performance Plan and the five-year Strategic Plan approved by the Federal Occupational Safety and Health Administration.
- Increasing current boiler/pressure vessel inspection levels through increased staff cross training and education efforts.
- Increased outreach and education through the Alaska Safety Advisory Council annual conference.

Major BRU Accomplishments for FY2000

- Wage and Hour section collected over \$1 million in owed wages for Alaskan workers.
- Wage and Hour staff monitored over 4,400 public construction projects for prevailing wage enforcement, and over 2,500 projects for employment preference compliance.
- Wage and Hour disseminated information on child labor, prevailing wage, and wage claim programs through approximately 23,000 contacts; and processed more than 10,000 child labor work permits.
- While the boiler and pressure vessel inspection backlog has not been reduced, due to the need for more inspectors, boiler inspections were maintained at near-FY 99 levels through cross-training and certification of the southeast region state plumbing inspector to perform boiler inspections.
- Mechanical Inspection staff completed development of regulations requiring continuing education for electricians.
- Enrolled a new Alaskan employer in the Voluntary Protection Program and Safety and Health Achievement Recognition Program to recognize and promote effective safety and health management for employers.
- OSH staff enrolled three high-incident rate employers in the consultative initiative intervention program.
- OSH staff performed an increased number of enforcement inspections, consultation classes, and safety visits to improve the safety and health of working environments.
- The Safety Advisory Council increased participation levels at the Annual Governor's Safety and Health Conference.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
• The number of on-site enforcement inspections.		X			

Labor Standards and Safety
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Wage and Hour Administration	1,339.0	0.0	20.0	1,359.0	1,309.9	0.0	36.7	1,346.6	1,326.1	0.0	22.1	1,348.2
Mechanical Inspection	1,136.9	0.0	396.6	1,533.5	1,153.5	0.0	422.4	1,575.9	1,152.9	0.0	421.7	1,574.6
Occupational Safety and Health	1,208.8	1,732.2	9.8	2,950.8	741.7	1,815.7	513.6	3,071.0	452.3	1,852.3	829.2	3,133.8
Alaska Safety Advisory Council	74.1	0.0	0.0	74.1	107.5	0.0	0.0	107.5	107.5	0.0	0.0	107.5
Totals	3,758.8	1,732.2	426.4	5,917.4	3,312.6	1,815.7	972.7	6,101.0	3,038.8	1,852.3	1,273.0	6,164.1

Labor Standards and Safety**Proposed Changes in Levels of Service for FY2002**

The Occupational Safety and Health section will expand the consultative special intervention program for high incident rate employers to reduce the risk of injury to employees.

Labor Standards and Safety**Summary of BRU Budget Changes by Component****From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	3,312.6	1,815.7	972.7	6,101.0
Adjustments which will continue current level of service:				
-Wage and Hour Administration	16.2	0.0	-14.6	1.6
-Mechanical Inspection	-0.6	0.0	-0.7	-1.3
-Occupational Safety and Health	-317.1	-4.9	315.6	-6.4
Proposed budget increases:				
-Occupational Safety and Health	27.7	41.5	0.0	69.2
FY2002 Governor	3,038.8	1,852.3	1,273.0	6,164.1

Component: Wage and Hour Administration

Contact: Thomas Stuart, Acting Director

Tel: (907) 269-4942 **Fax:** (907) 269-4950 **E-mail:** Thomas_Stuart@labor.state.ak.us

Component Mission

To ensure that employees are justly compensated for their work, safeguard workers from unscrupulous employment practices, and ensure that children are not exploited by employment in dangerous occupations.

Component Services Provided

- Collection of wages for employees who haven't been properly paid is performed by a staff of 13 investigators and technicians in three regional offices statewide who investigate underpayment or nonpayment of wages earned or benefits accrued.
- Child labor laws are enforced by the investigative and technical staff who review and approve or deny work permits for all minors employed in the state. Investigators visit employers in each of the three regions to check for understanding of, and compliance with, the child labor laws.
- Enforcement of employment preference and prevailing wage laws through audits of certified payrolls for public construction projects.
- Investigative staff educates employers and employees about their rights and obligations under Alaska labor laws through employer visits, seminars, briefings and other forums.

Component Goals and Strategies

- 1) **EDUCATE EMPLOYERS AND EMPLOYEES ABOUT ALASKA LABOR LAWS.**
 - Inform the public of the labor laws Wage and Hour enforces and services the agency provides. Maintain the current level of 24,000 contacts through seminars, briefings, in-person and telephone discussions.
 - Consolidate on-site investigations in rural Alaska with outreach to employers by answering questions, providing published materials and encouraging employers and employees to contact the Wage and Hour office with questions. It is anticipated that staff will conduct 1,000 on-site visits to maintain the current level of service.
 - Participate as an exhibitor at employment/human resource and personnel law conferences to display and distribute labor law literature and answer questions.
 - Expand and enhance the information available to the public regarding Wage and Hour issues on the division's internet web site.
- 2) **ENSURE THAT ALASKAN WORKERS ARE PROPERLY COMPENSATED IN ACCORDANCE WITH MINIMUM WAGE, OVERTIME AND PREVAILING WAGE LAWS.**
 - Monitor more than 4,000 public construction projects for compliance with prevailing wage laws.
 - Audit certified payrolls submitted to the Wage and Hour office for public construction projects.
 - Educate employers through seminars, briefings, in-person and telephone meetings, and e-mail contacts.

Key Component Issues for FY2001 – 2002

- Child labor continues to be a focal point for the Wage and Hour Administration. Investigative staff travels throughout the state to conduct "on-site" inspections to ensure that minors are being paid properly and are not being required to perform hazardous duties on the job.
- Decreasing funding levels coupled with increased operating costs negatively impacts the component's ability to enforce the minimum wage, overtime, child labor and public contract laws for the citizens of Alaska. The section continues to focus on education efforts to best utilize limited resources.

Major Component Accomplishments for FY2000

- The Wage & Hour section collected over \$1 million in owed wages for Alaskan workers.
- Investigators monitored over 4,400 public construction projects for prevailing wage enforcement and over 2,500 projects for employment preference compliance.
- Staff disseminated information on child labor, prevailing wage, and wage claim programs to approximately 23,000 contacts through seminars, briefings, telephone inquiries and on-site visits.
- This section processed more than 10,000 child labor work permits.
- This section published Wage & Hour forms and information on the Internet for public access.

Statutory and Regulatory Authority

Statutory Authorities:

AS 23.10.500-23.10.550
 AS 36.10.005-36.10.990
 AS 23.10.325-23.10.400
 AS 08.18.010-08.18.171
 AS 23.05.010-23.05.340
 AS 36.05.010-36.05.110
 AS 36.95.010
 AS 23.15.330-23.15.520
 AS 23.10.015-23.10.150
 AS 23.30.005-23.30.270
 AS 23.10.430

Regulatory Authorities:

8 AAC 25.010-25.030
 8 AAC 30.010-30.920
 8 AAC 20.010-20.030
 8 AAC 15.010-15.910
 8 AAC 05.010-05.900
 8 AAC 10.010-10.915

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
• The number of wage claims settled and the amount collected.		X			

Wage and Hour Administration

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,079.8	1,068.6	1,070.2
72000 Travel	38.8	54.5	54.5
73000 Contractual	225.7	196.5	196.5
74000 Supplies	11.7	23.1	23.1
75000 Equipment	3.0	3.9	3.9
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,359.0	1,346.6	1,348.2
Funding Sources:			
1004 General Fund Receipts	1,339.0	1,309.9	1,326.1
1007 Inter-Agency Receipts	20.0	22.1	22.1
1108 Statutory Designated Program Receipts	0.0	14.6	0.0
Funding Totals	1,359.0	1,346.6	1,348.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	20.0	22.1	22.1	22.1	22.1
Statutory Designated Program Receipts	51063	0.0	14.6	14.6	0.0	0.0
Restricted Total		20.0	36.7	36.7	22.1	22.1
Total Estimated Revenues		20.0	36.7	36.7	22.1	22.1

Wage and Hour Administration**Proposed Changes in Levels of Service for FY2002**

There are no changes in levels of service for FY2002 identified at this time for this component.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	1,309.9	0.0	36.7	1,346.6
Adjustments which will continue current level of service:				
-Convert Special FY2001 Labor Cost Fund Sources to GF	14.6	0.0	-14.6	0.0
-Year 2 Labor Costs - Net Change from FY2001	1.6	0.0	0.0	1.6
FY2002 Governor	1,326.1	0.0	22.1	1,348.2

Wage and Hour Administration**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	20	21	Annual Salaries	808,406
Part-time	0	0	COLA	12,532
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	291,310
			<i>Less 3.78% Vacancy Factor</i>	(42,048)
			Lump Sum Premium Pay	0
Totals	20	21	Total Personal Services	1,070,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	2	0	0	0	2
Administrative Clerk III	1	1	1	0	3
Administrative Manager I	1	0	0	0	1
Administrative Supervisor	1	0	0	0	1
Chief, Labor Standards	1	0	0	0	1
Wage Hour Invest I	5	2	2	0	9
Wage Hour Invest II	1	1	1	0	3
Wage-Hour Technician	1	0	0	0	1
Totals	13	4	4	0	21

Component: Mechanical Inspection

Contact: Thomas Stuart, Acting Director

Tel: (907) 269-4942 **Fax:** (907) 269-4950 **E-mail:** Thomas_Stuart@labor.state.ak.us

Component Mission

To protect the public safety by providing oversight and inspection for hazards related to boilers, pressure vessels, elevators, escalators, wheelchair lifts, recreational devices, electrical and plumbing installations statewide; and by testing and licensing people associated with some of these activities.

Component Services Provided

- Issue certificates of fitness for validating the qualifications of electricians, power linemen, plumbers and boiler operators.
- Inspect boilers and pressure vessels for safety.
- Inspect new construction, and alterations to existing construction, for compliance with applicable state plumbing and electrical codes.
- Inspect new and existing elevators, escalators, tramways, ski lifts and amusement rides for safety, proper maintenance and operation.
- Ensure that electricians, plumbers, construction contractors and electrical/mechanical administrators have proper certificates and/or licenses.
- Assist the Department of Revenue, Child Support Enforcement Division, in identifying license applicants who are in arrears on child support payments to comply with federal law.
- Assist the Alaska State Troopers in the enforcement of vehicle registration laws pertaining to out-of-state license plates.

Component Goals and Strategies

- 1) DECREASE BACKLOG OF BOILER AND PRESSURE VESSEL INSPECTIONS BY 15%.
 - Improve recruitment and retention strategies for boiler and pressure vessel inspectors in order to keep existing positions filled and number of inspections maximized.
- 2) INCREASE VISIBILITY OF STATE ELECTRICAL AND PLUMBING INSPECTION PROGRAMS STATEWIDE.
 - Provide sixteen 8-hour classes on plumbing and electrical code updates.
- 3) MAINTAIN ESTABLISHED INSPECTION LEVELS IN THE ELEVATOR, ELECTRICAL, PLUMBING AND RECREATIONAL DEVICE PROGRAMS.
 - 400 inspections per inspector in the plumbing and electrical programs.
 - 275 inspections in the elevator program.
 - 125 inspections in the recreational device program.
- 4) CONTINUE ONE-DAY PROCESSING IN ALL LICENSING CATEGORIES ISSUED BY THE SECTION.

Key Component Issues for FY2001 – 2002

- Efforts to decrease the backlog of boiler and pressure vessel inspections continue. While inspections increased by approximately 25% in FY 2000, through staff cross-training and education efforts statewide, and by implementing the 1999 statutory change that allows existing state plumbing inspectors to inspect cast-iron boilers and domestic hot-water heaters, this increase did not decrease the backlog, but merely held it at FY 99 levels. Additional staff is still required in order to effectively address the problem of the inspection backlog.
- Recruitment and retention of boiler and pressure vessel inspectors continues to be an issue. Efforts are underway to bring these inspectors into the same approximate salary range as plumbing inspectors, in order to attract and keep inspectors in the existing boiler and pressure vessel positions.

Major Component Accomplishments for FY2000

- While the inspection backlog has not been reduced, due to the continuing need for more inspectors, an additional 1,100 boiler inspections were performed in FY 2000. This level of inspections kept the backlog from increasing further.
- Staff developed regulations requiring continuing education for electricians to increase knowledge of codes and quality assurance in this trade.
- This section worked on the adoption of regulations to conform with national standards set out in the 1997 Uniform Plumbing Code. In addition, statutory authority for the update of future codes by regulation has been conveyed to the Department of Labor which will allow timely adoption of necessary code updates.

Statutory and Regulatory Authority

Statutory Authorities:

AS 18.60.180-18.60.395
 AS 18.60.670-18.60.695
 AS 05.20.010-05.20.120
 AS 18.60.800-18.60.820
 AS 18.60.705-18.60.740
 AS 18.60.580-18.60.660
 AS 18.62.010-18.62.080

Regulatory Authorities:

8 AAC 90.105-90.900
 8 AAC 80.010-80.900
 8 AAC 70.010-70.090
 8 AAC 78.010-78.900
 8 AAC 77.005-77.905
 8 AAC 63.010-63.030

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
• The number of boiler and pressure vessel inspections completed.		X			

Mechanical Inspection

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,184.1	1,196.1	1,194.8
72000 Travel	138.2	115.4	115.4
73000 Contractual	180.0	241.0	241.0
74000 Supplies	12.1	22.7	22.7
75000 Equipment	19.1	0.7	0.7
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,533.5	1,575.9	1,574.6
Funding Sources:			
1004 General Fund Receipts	448.1	473.1	472.3
1005 General Fund/Program Receipts	688.8	669.2	680.6
1007 Inter-Agency Receipts	396.6	422.4	421.7
1053 Investment Loss Trust Fund	0.0	11.2	0.0
Funding Totals	1,533.5	1,575.9	1,574.6

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Investment Loss Trust Fund	51393	0.0	11.2	11.2	0.0	0.0
Unrestricted Fund	68515	365.3	189.5	189.5	299.4	299.4
Unrestricted Total		365.3	200.7	200.7	299.4	299.4
Restricted Revenues						
Interagency Receipts	51015	396.6	422.4	412.7	421.7	421.7
General Fund Program Receipts	51060	688.8	669.2	669.2	680.6	680.6
Restricted Total		1,085.4	1,091.6	1,081.9	1,102.3	1,102.3
Total Estimated Revenues		1,450.7	1,292.3	1,282.6	1,401.7	1,401.7

Mechanical Inspection**Proposed Changes in Levels of Service for FY2002**

No changes are anticipated for this component for FY 2001.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	1,153.5	0.0	422.4	1,575.9
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	-0.6	0.0	-0.7	-1.3
FY2002 Governor	1,152.9	0.0	421.7	1,574.6

Mechanical Inspection**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	16	16	Annual Salaries	903,075
Part-time	0	0	COLA	19,535
Nonpermanent	0	0	Premium Pay	23,724
			Annual Benefits	297,929
			<i>Less 3.98% Vacancy Factor</i>	(49,463)
			Lump Sum Premium Pay	0
Totals	16	16	Total Personal Services	1,194,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	1	0	0	0	1
Administrative Clerk III	1	0	0	0	1
Administrative Supervisor	1	0	0	0	1
Asst Chief, Labor Standards	1	0	0	0	1
Boiler & Pressure Vssl Insp I	2	0	0	0	2
Boiler & Pressure Vssl Insp II	1	0	0	0	1
Dol Safety Liaison	1	0	0	0	1
Electrical Inspectr Wg IA	2	0	0	1	3
Elevator Inspector Wgia	0	1	0	0	1
Investigator III	1	0	0	0	1
Plumbing Inspector	1	1	0	1	3
Totals	12	2	0	2	16

Component: Occupational Safety and Health

Contact: Thomas Stuart, Acting Director

Tel: (907) 269-4942 **Fax:** (907) 269-4950 **E-mail:** Thomas_Stuart@labor.state.ak.us

Component Mission

To work in partnership with Alaskan employers and workers toward eliminating workplace injuries, illnesses and deaths and to assist employers in complying with state and federal regulations relating to occupational safety and health.

Component Services Provided

- Provide for the prompt elimination or restraint of imminent danger situations and investigate employee complaints, work-related fatalities and catastrophes.
- Complete compliance inspections in accordance with federal mandates, without advance notice, to assess workplace safety and health, and issue citations if necessary; notify employers and employees when an alleged violation has occurred, including the proposed abatement requirements and correction schedule, and appeals process; affirm abatement of hazards, to ensure safety and health in the workplace; and provide for unbiased review of contested violations, penalties or abatement dates by an independent board appointed by the Governor.
- Prepare, adopt, amend, or repeal general and specific safety and health standards governing the conditions of employment in all workplaces to be "as stringent" as those adopted or recognized by the United States Secretary of Labor under the authority of the Occupational Safety and Health Act of 1970.
- Protect employees against discharge or discrimination for exercising the rights afforded by the Alaska Occupational Safety and Health (AKOSH) standards through training; inform employees on such issues as how to bring possible violations to the attention of inspectors, the notification process of employees concerning the results of complaint related investigations and their related appeal rights; and employee access to information and notification of exposure to toxic materials or harmful physical agents in their workplace.
- Encourage voluntary compliance by employers and employees in reducing the number of safety and health hazards at their work places through consultative on-site visits.
- Process employer requests for variances from AKOSH standards.
- Compile and disseminate statistical information on program activity for department and state administrators and the federal Occupational Safety and Health Administration (OSHA).
- Issue certificates of fitness for validating the qualifications of painters, asbestos abatement workers, and explosive handlers.
- Assist the Department of Revenue, Child Support Enforcement Division, in identifying license applicants who are in arrears on child support payments to comply with federal law.

Component Goals and Strategies

OCCUPATIONAL SAFETY AND HEALTH IS IN THE FOURTH YEAR OF A FIVE-YEAR STRATEGIC PLAN

- 1) REDUCE INJURY AND ILLNESS BY 3% IN THE THREE TARGETED HIGH-HAZARD INDUSTRIES (LOGGING, CONSTRUCTION AND SEAFOOD PROCESSING).
- Increase programmed enforcement inspections in construction, logging and seafood processing by 5%.

- Increase comprehensive visits in construction, logging and seafood processing by 3%.
 - Decrease the Lost Workday rate by 3%.
- 2) REDUCE INJURIES AND ILLNESSES BY 3% IN AT LEAST ONE HIGH-INCIDENT INDUSTRY DETERMINED FROM WORKERS' COMPENSATION DATA (AND NOT INCLUDED IN HIGH-HAZARD INDUSTRIES)
- Increase comprehensive consultation visits using a Special Intervention Program by 3%.
 - Increase programmed inspections in targeted industry by 3%.
 - Increase the number of hazards identified and violations abated from an inspection by 3%.
 - Increase the number of hazards identified and corrected through consultation visits by 3%.
- 3) CHANGE WORKPLACE CULTURE TO INCREASE EMPLOYER AND WORKER AWARENESS OF, COMMITMENT TO, AND INVOLVEMENT IN, SAFETY AND HEALTH.
- Increase public service announcements and notices.
 - Increase student attendance in outreach training sessions by an additional 10%.
 - Increase Safety and Health Achievement Recognition Program participation by an additional two employers during the next year.
 - Increase Voluntary Protection Program participation by one additional employer during the next year.
- 4) SECURE PUBLIC CONFIDENCE THROUGH EXCELLENCE IN THE DEVELOPMENT AND DELIVERY OF AKOSH'S PROGRAMS AND SERVICES.
- Continue the development and implementation of the management and information systems necessary to carry out the AKOSH mission and the capacity to measure and analyze AKOSH's performance.
 - Continue to ensure AKOSH staff are adequately trained and knowledgeable, and provide services in a fair and consistent manner.

Key Component Issues for FY2001 – 2002

- Congress developed the Government Performance and Results Act of 1993, requiring Federal OSHA to have a 5-year strategic plan and subsequent annual performance plans from each state. This is a new method for monitoring and evaluating AKOSH performance and we are working toward meeting the agreed-upon objectives in the State's federal fiscal year 2001 Annual Performance Plan and in complying with the 5-year Strategic Plan.

Major Component Accomplishments for FY2000

- Reviewed and approved one employer previously approved at the VPP Merit Level for advancement to the VPP Star level. Reviewed and approved one employer for renewal in the Safety and Health Achievement Recognition Program.
- Enforcement staff performed 443 compliance inspections during FY 2000, maintaining FY 99 levels despite the loss of a safety enforcement position.
- Consultation staff continued to provide training, resulting in 85 classes offered and 1,621 employees trained in safety and health issues in FY 2000.

- Consultation staff completed 337 visits in FY 2000, maintaining close to the same level as FY 1999, even though two consultation field positions remained vacant due to insufficient funding.

Statutory and Regulatory Authority

Statutory Authorities:

AS 18.60.010-18.60.105

AS 18.63.010-18.63.100

AS 18.31.200-18.31.500

29 CFR 1910 & 1926&1928 (Federal Regulation adopted by reference)

AS 8.052.050

Regulatory Authorities:

8AAC 61.010-8AAC 62.070

40 CFR 763 Appendix C to Subpart E (Federal Regulation adopted by reference)

8 AAC 61.730(a)

8 AAC 61.860(a)

8 AAC 61.640(a)

8 AAC 62.055(a)(2)

8 AAC 61.630(a)(7)

8 AAC 61.670(b)(3)

Occupational Safety and Health

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	2,264.3	2,350.2	2,402.7
72000 Travel	205.6	161.3	163.3
73000 Contractual	433.8	495.6	499.9
74000 Supplies	41.7	58.3	58.8
75000 Equipment	5.4	5.6	9.1
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,950.8	3,071.0	3,133.8
Funding Sources:			
1002 Federal Receipts	1,732.2	1,815.7	1,852.3
1003 General Fund Match	1,131.1	631.5	364.2
1005 General Fund/Program Receipts	77.7	86.7	88.1
1007 Inter-Agency Receipts	9.8	13.6	13.6
1053 Investment Loss Trust Fund	0.0	23.5	0.0
1157 Workers Safety and Compensation Administration Account	0.0	500.0	815.6
Funding Totals	2,950.8	3,071.0	3,133.8

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Investment Loss Trust Fund	51393	0.0	23.5	23.5	0.0	0.0
Unrestricted Fund	68515	763.7	280.4	280.4	280.5	280.5
Unrestricted Total		763.7	303.9	303.9	280.5	280.5
Restricted Revenues						
Federal Receipts	51010	1,732.2	1,815.7	1,815.7	1,852.3	1,857.2
Interagency Receipts	51015	9.8	13.6	13.6	13.6	13.6
General Fund Program Receipts	51060	77.7	86.7	86.7	88.1	87.8
Workers Safety & Compensation Admin	51078	0.0	500.0	500.0	815.6	1,181.6
Restricted Total		1,819.7	2,416.0	2,416.0	2,769.6	3,140.2
Total Estimated Revenues		2,583.4	2,719.9	2,719.9	3,050.1	3,420.7

Occupational Safety and Health**Proposed Changes in Levels of Service for FY2002**

As part of the overall five-year strategic plan, continue to expand the new consultative special intervention program for high-incident-rate employers. In addition, the section will continue to expand marketing efforts for the outreach-training program through public service announcements, providing new information, attending public meetings, increased publication of class schedules, and conducting classes statewide.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	741.7	1,815.7	513.6	3,071.0
Adjustments which will continue current level of service:				
-Fund Source change from GFM to new special fund (HB 378)	-315.6	0.0	315.6	0.0
-Year 2 Labor Costs - Net Change from FY2001	-1.5	-4.9	0.0	-6.4
Proposed budget increases:				
-Establish OSH Research Analyst III position	27.7	41.5	0.0	69.2
FY2002 Governor	452.3	1,852.3	829.2	3,133.8

Occupational Safety and Health**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	36	37	Annual Salaries	1,839,679
Part-time	0	0	COLA	35,384
Nonpermanent	0	0	Premium Pay	42,762
			Annual Benefits	615,155
			<i>Less 5.14% Vacancy Factor</i>	(130,280)
			Lump Sum Premium Pay	0
Totals	36	37	Total Personal Services	2,402,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	0	1	0	1
Administrative Clerk II	2	0	0	0	2
Administrative Clerk III	2	0	0	0	2
Administrative Manager I	1	0	0	0	1
Administrative Manager III	0	0	1	0	1
Administrative Supervisor	1	0	0	0	1
Asst Chief DOSH	2	0	0	0	2
Chief, OS&H	1	0	0	0	1
Division Director	0	0	1	0	1
Industrial Hygienist	7	1	1	0	9
Micro/Network Tech II	1	0	0	0	1
Occ Sfty Comp Off Wg IA	7	2	2	2	13
Research Analyst III	1	0	0	0	1
Secretary	0	0	1	0	1
Totals	25	3	7	2	37

Component: Alaska Safety Advisory Council

Contact: Thomas Stuart, Acting Director

Tel: (907) 269-4942 **Fax:** (907) 269-4950 **E-mail:** Thomas_Stuart@labor.state.ak.us

Component Mission

Work with organizations, individuals and groups that are interested in the promotion of safety to reduce accidental death and injury.

Component Services Provided

- Provide assistance to the Departments of Labor, Transportation and Public Facilities, Public Safety, Education, Natural Resources, Health & Social Services and various other state and federal organizations by making recommendations regarding safety, health and occupational injury issues.
- Recommend statutory or regulatory changes needed to ensure occupational safety and health.
- Sponsor the annual Governor's Safety and Health Conference, which presents three days of occupational safety and health seminars to provide current information and training to business owners, managers, supervisors and employees. As part of the conference:
 - Provide certification and continuing education units through the University of Alaska, the American Society of Safety Engineers, and other organizations;
 - Vendor demonstrations and presentations on safety related products available to employers and employees.

Component Goals and Strategies

Increase public awareness of safety and health issues, thereby reducing accidental death and injury rates.

- Continue to provide educational opportunities for employers and employees.
- Improve the educational benefits of the Governor's Safety and Health Conference.
- Continue increasing marketing efforts to publicize the Governor's Safety and Health Conference.

Key Component Issues for FY2001 – 2002

- Continue efforts to achieve conference quality equal to other states within the Northwest Region, increasing the level of effectiveness of the program.
- Continue council's involvement with and efforts to promote employer participation in the Occupational Safety and Health component Voluntary Protection Program and Safety and Health Achievement Recognition Program through marketing and outreach.

Major Component Accomplishments for FY2000

- Council efforts increased the overall conference attendance by more than 30% over 1999 registrations.
- Marketing targeted toward labor trade management and union memberships resulted in a marked increase in participation in the OSHA Construction Outreach and Advanced Construction Safety Management Tracks.

- The Safety Advisory Council actively supported legislation for boating safety that became law.

Statutory and Regulatory Authority

Statutory Authority:
AS 18.60.830-18.60.840

Alaska Safety Advisory Council

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	28.1	35.2	35.2
72000 Travel	4.3	8.7	8.7
73000 Contractual	39.1	49.3	49.3
74000 Supplies	2.6	14.3	14.3
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	74.1	107.5	107.5
Funding Sources:			
1005 General Fund/Program Receipts	74.1	106.7	107.5
1053 Investment Loss Trust Fund	0.0	0.8	0.0
Funding Totals	74.1	107.5	107.5

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Investment Loss Trust Fund	51393	0.0	0.8	0.8	0.0	0.0
Unrestricted Total		0.0	0.8	0.8	0.0	0.0
Restricted Revenues						
General Fund Program Receipts	51060	100.7	106.7	106.7	107.5	107.5
Restricted Total		100.7	106.7	106.7	107.5	107.5
Total Estimated Revenues		100.7	107.5	107.5	107.5	107.5

Alaska Safety Advisory Council**Proposed Changes in Levels of Service for FY2002**

- There are no anticipated changes in service aside from meeting our goals for increased marketing efforts.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	107.5	0.0	0.0	107.5
FY2002 Governor	107.5	0.0	0.0	107.5

Alaska Safety Advisory Council

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	0	0	Annual Salaries	22,495
Part-time	1	1	COLA	234
Nonpermanent	0	0	Premium Pay	2,032
			Annual Benefits	10,512
			<i>Less 0.21% Vacancy Factor</i>	(73)
			Lump Sum Premium Pay	0
Totals	1	1	Total Personal Services	35,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk III	1	0	0	0	1
Totals	1	0	0	0	1

Vocational Rehabilitation Budget Request Unit

Contact: Duane French, Director

Tel: (907) 465-2814 **Fax:** (907) 465-2856 **E-mail:** Duane_French@labor.state.ak.us

BRU Mission

The mission of the Division of Vocational Rehabilitation is to assist individuals with disabilities to overcome barriers to employment and to maintain suitable employment.

BRU Services Provided

The Division of Vocational Rehabilitation is a combined federal/state program under the authority of the Rehabilitation Act of 1973, as amended in 1998. The services provided to accomplish individualized goals of each person with a disability include a full array of vocational rehabilitation services, independent living services, support and assistance in employment, assistive technology, and referrals. In partnership with other state agencies, private sector businesses, vendors, and non-profit organizations, individuals are assisted and encouraged in realizing their potential and personal independence as full participants and citizens in their community. Employers are provided trained and willing workers able to do the job. The division also provides training to employers on hiring practice changes and training and assistance regarding the Americans with Disabilities Act.

The division adjudicates claims on behalf of the Social Security Administration for Title II and Title XVI applicants for disability benefits and provides referrals for services. In addition, the division is the agency responsible for executive branch compliance with the Americans with Disabilities Act and Administrative Order #129. The division also administers a federal grant to improve local programs or systems that assist students with disabilities as they transition from school to a community based living, learning and working environment.

BRU Goals and Strategies

1) PROVIDE VOCATIONAL REHABILITATION SERVICES THAT WILL ENABLE 520 INDIVIDUALS WITH DISABILITIES TO GET JOBS.

* The division will deliver direct vocational rehabilitation services to individuals with disabilities through a statewide structure of regional and branch offices.

*Access to information and services provided by the Division will be available on the Internet.

* Offices will also be co-located with other agencies providing employment services including the Employment Security Division, Job Training Partnership contractors, the Division of Public Assistance, and other non-profit organizations in "one-stop" job centers in Ketchikan, Juneau, Anchorage, Wasilla, Eagle River, Bethel, Kenai and Fairbanks.

* Services for Native Alaskans will be coordinated with Native organizations including Bristol Bay Native Association, Tanana Chiefs Conference, Tlingit-Haida Central Council, Cook Inlet Native Association, Kodiak Island Native Association, Aleutian/Pribilof Islands Association, and the Association of Village Council Presidents (Bethel).

2) EXPAND THE EXPERTISE AND SKILLS OF REHABILITATION PERSONNEL.

* Training programs will be designed and provided which will enable personnel to function in their jobs with improved knowledge of disability issues and which will correct identified deficiencies.

3) ENABLE ALASKANS WITH DISABILITIES TO LIVE INDEPENDENTLY IN THE COMMUNITY OF THEIR CHOICE.

- * The division will deliver independent living services statewide through grant agreements with private non-profit independent living centers and specialized service providers.
- * Specialized independent living services will be provided to older individuals who are blind through regional grants in Southeast, Gulf Coast, Anchorage/Mat-Su/Southwest, and the Northwest regions.
- 4) **ENABLE ELIGIBLE ALASKANS WITH DISABILITIES TO RECEIVE SOCIAL SECURITY DISABILITY BENEFITS.**
 - * The division will adjudicate claims for Social Security benefits by obtaining medical and vocational evidence for claimants which will provide adequate information to determine eligibility for benefits.
- 5) **PROVIDE SERVICES THROUGH SPECIAL PROJECTS, WHICH WILL ENHANCE AND SUPPORT THE GENERAL MISSION OF THE DIVISION AND MEET THE NEEDS OF INDIVIDUALS WITH DISABILITIES.**
 - * Using Supported Employment funding, the division will place and train severely disabled individuals in competitive employment positions.
 - * Sign language interpreter services will be provided through three regional grants to non-profit organizations that will respond to requests for interpreter referrals for individuals who are deaf or hard of hearing.
 - * The Alaska Transition Initiative will provide grant funding to non-profit organizations and to the University of Alaska Affiliate Program to provide services which will improve local systems and programs to assist students with disabilities as they transition from school to a community based living, learning and working environment.
 - * Through the Alaska Works Project, Resource Specialists will be located in One-Stop offices in Juneau, Fairbanks and Anchorage to assist individuals with disabilities who want to return to work but who need to maintain health insurance. A Business Development Specialist will work with employers to assist them in developing strategies to increase the presence of individuals with disabilities in their workforce. The Alaska Works Project will be supplemented with a new federal grant award: Alaska Work Incentives. With the award the division will enhance the employability, employment and career advancement of people with disabilities through enhanced service delivery in the One-Stop delivery system established under the Workforce Investment Act of 1998.
 - * The Economic Development Alliance Project will assist businesses with grants to purchase equipment or for other purposes in exchange for creating jobs for individuals with disabilities.
- 6) **ENABLE ACCESS TO ASSISTIVE TECHNOLOGY SERVICES AND DEVICES FOR INDIVIDUALS WITH DISABILITIES WHO RESIDE THROUGHOUT THE STATE.**
 - * The division will provide grant funding for an Assistive Technology Alliance.
- 7) **ASSURE COMPLIANCE OF ALL AGENCIES IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT WITH TITLE I AND II OF THE AMERICANS WITH DISABILITIES ACT.**
 - * Training programs will be provided for program managers. Updated information will be provided on the status of state facilities audited for ADA compliance.

Key BRU Issues for FY2001 – 2002

- * Provide greater capacity in the One-Stop delivery system to effectively serve people with disabilities;
- * Continue to support counselors in meeting the federal requirements of a Masters Degree;
- * Increase efficiency and effectiveness under the Unified State Plan prompted by the Workforce Investment Act; and
- * Continue the advancement of Informed Choice in all facets of Vocational Rehabilitation services.

Major BRU Accomplishments for FY2000

- * Provided services to 522 Alaskans with disabilities that enabled them to go to work and earn an average of \$20,084 per year;
- * Increased the involvement of the 4,021 individuals with disabilities served in FY 2000 in taking a lead role in their rehabilitation services;
- * Modified the homes of 5 people with disabilities to make them accessible, furthering their ability to go to work and function more independently at home;
- * Expanded the presence of Alaska Division of Vocational Rehabilitation staff in Alaska Job Centers throughout the state;
- * Incorporated more accessible technology to determine the aptitudes and interests of people with disabilities in their career planning and employing community based job assessments; and
- * The Alaska Division of Vocational Rehabilitation has successfully transitioned into the Department of Labor and Workforce Development and is collaborating with other employment program partners.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> • The percentage of clients who return for services under a new Individual Plan for Employment within one year after receiving services from the division that resulted in employment. • The percentage of eligible Alaskans requesting services who are served by the division. 		X			
		X			

Vocational Rehabilitation
BRU Financial Summary by Component

All dollars in thousands

	FY2000 Actuals				FY2001 Authorized				FY2002 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Client Services	3,135.8	7,539.9	171.9	10,847.6	3,172.2	8,655.5	215.0	12,042.7	3,173.4	8,662.9	382.3	12,218.6
Federal Training Grant	5.6	27.3	0.0	32.9	5.6	50.7	0.0	56.3	5.6	50.7	0.0	56.3
Voc Rehab Administration	166.2	927.6	27.3	1,121.1	168.6	1,198.4	0.0	1,367.0	168.6	1,258.5	20.2	1,447.3
Independent Living Rehabilitat	586.9	499.4	160.3	1,246.6	586.9	595.8	162.8	1,345.5	586.9	770.8	142.5	1,500.2
Disability Determination	0.0	3,474.4	137.9	3,612.3	0.0	4,892.6	100.9	4,993.5	0.0	4,888.9	199.6	5,088.5
Special Projects	82.9	791.8	348.9	1,223.6	82.9	1,553.2	154.5	1,790.6	85.8	2,615.8	154.1	2,855.7
Assistive Technology	0.0	349.5	96.0	445.5	0.0	468.7	96.0	564.7	0.0	469.3	96.0	565.3
Americans With Disabilities	0.0	0.0	144.6	144.6	0.0	0.0	192.4	192.4	0.0	0.0	192.0	192.0
Totals	3,977.4	13,609.9	1,086.9	18,674.2	4,016.2	17,414.9	921.6	22,352.7	4,020.3	18,716.9	1,186.7	23,923.9

Vocational Rehabilitation**Proposed Changes in Levels of Service for FY2002**

Changes in funding/service levels include additional federal funds for two projects:

- 1) Alaska Work Incentives Project to enhance the employment and career advancement opportunities of people with disabilities through expanded service delivery in the One-stop System; and
- 2) Access to Alaska Project designed to ensure that Alaska's tourism industry focuses on the requirements of the Americans with Disabilities Act.

An increase in the authority for the Business Enterprise Program funds is budgeted in anticipation of a contract with Ft. Wainwright to operate the food services on the base.

Vocational Rehabilitation**Summary of BRU Budget Changes by Component****From FY2001 Authorized to FY2002 Governor**

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	4,016.2	17,414.9	921.6	22,352.7
Adjustments which will continue current level of service:				
-Client Services	1.2	-10.4	0.2	-9.0
-Voc Rehab Administration	0.0	60.1	20.2	80.3
-Independent Living Rehabilitat	0.0	175.0	-20.3	154.7
-Disability Determination	0.0	-3.7	-0.5	-4.2
-Special Projects	2.9	-227.4	-0.4	-224.9
-Americans With Disabilities	0.9	0.0	-0.5	0.4
Proposed budget decreases:				
-Americans With Disabilities	-0.9	0.0	0.1	-0.8
Proposed budget increases:				
-Client Services	0.0	17.8	167.1	184.9
-Disability Determination	0.0	0.0	99.2	99.2
-Special Projects	0.0	1,290.0	0.0	1,290.0
-Assistive Technology	0.0	0.6	0.0	0.6
FY2002 Governor	4,020.3	18,716.9	1,186.7	23,923.9

Component: Client Services

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Component Mission

To provide statewide comprehensive coordinated, effective, efficient, and accountable vocational rehabilitation programs which are an integral part of a statewide workforce investment system that prepares individuals with disabilities for gainful employment.

Component Services Provided

This component provides direct services to individuals with disabilities. Services funded from this component are planned and delivered for the purpose of assisting individuals with disabilities who are in need of vocational rehabilitation to prepare for and acquire employment in the competitive labor market.

GUIDANCE AND COUNSELING: These funds enable the division's vocational rehabilitation counselors, assistants and support staff to provide direct services to individuals with disabilities.

CASE SERVICES: These funds are used to purchase services for individuals with disabilities who are eligible for vocational rehabilitation. Federal law requires the division to provide a variety of services to meet the individual vocational needs of the person with a disability. Through a counseling and guidance relationship between the individual and the vocational rehabilitation counselor, vocational goals and the services needed to overcome barriers to employment are identified. The services are purchased from individual vendors and from public, private and non-profit organizations. Funds are also granted to non-profit organizations to establish or enhance their capacity to provide an array of rehabilitation services that assist individuals with disabilities reach their employment goals.

Component Goals and Strategies

ENABLE ALASKANS WITH DISABILITIES TO BE GAINFULLY EMPLOYED.

- * Provide individualized vocational rehabilitation services that will enable 520 individuals with disabilities to be successfully employed at an average annual earnings of \$21,000;
- * Develop Individual Plans for Employment that meet the goals and objectives of each individual in terms of an employment outcome;
- * Provide ongoing direct services to individuals who are already receiving vocational rehabilitation services under a rehabilitation program;
- * Explore opportunities for individuals who are blind to work as vending facility managers.

Key Component Issues for FY2001 – 2002

Changes in the program under the federal Workforce Investment Act of 1998 emphasize the need for vocational rehabilitation programs to actively coordinate and collaborate with other partners under the act. The division continues its co-location and integration of services with partners in Alaska Job Center Network Job Centers, developing agreements and improving service delivery methods.

Federal law requires that all eligible individuals for the vocational rehabilitation program receive services. Individuals may not be turned away due to a lack of resources unless the agency implements an Order of Selection. If an Order of Selection is implemented, then only individuals with the most severe disabilities are served while individuals with less severe, but just as real, vocational limitations are turned away. In FY2002 the division will seek to maintain

necessary services to those individuals at a level similar to FY2001. Without additional resources it will be difficult to expand services to individuals in need of vocational rehabilitation who have not been previously served. However, the division is actively working on methods to deliver services, such as the Internet, which will enable more people with disabilities to be served.

Major Component Accomplishments for FY2000

The following lists the actual number of individuals served during FY2000, the projected number of individuals to be served in FY2001 and the goals for FY2002.

Number of persons who applied for vocational rehabilitation services.

- FY2000 (actual) 1,539
- FY2001 (projected) 1,532
- FY2002 (goal) 1,550

Number of individuals for whom Individual Plans for Employment are completed.

- FY2000 (actual) 820
- FY2001 (projected) 976
- FY2002 (goal) 1,000

Number of individuals successfully employed.

- FY2000 (actual) 522
- FY2001 (projected) 520
- FY2002 (goal) 520

Number of individuals with disabilities provided services.

- FY2000 (actual) 4,021
- FY2001 (projected) 4,100
- FY2002 (goal) 4,150

Statutory and Regulatory Authority

AS 23.15, Article 1
8 AAC 98
34 CFR Part 361
PL 105-220 Title IV

Client Services

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	4,485.3	4,551.8	4,622.6
72000 Travel	178.5	241.5	241.5
73000 Contractual	701.8	1,296.2	1,251.3
74000 Supplies	113.3	62.9	62.9
75000 Equipment	143.3	128.4	128.4
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	5,225.4	5,761.9	5,911.9
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	10,847.6	12,042.7	12,218.6
Funding Sources:			
1002 Federal Receipts	7,539.9	8,655.5	8,662.9
1003 General Fund Match	1,926.3	1,926.8	1,945.7
1004 General Fund Receipts	1,209.5	1,221.9	1,222.8
1005 General Fund/Program Receipts	0.0	4.9	4.9
1007 Inter-Agency Receipts	0.0	0.0	17.3
1053 Investment Loss Trust Fund	0.0	18.6	0.0
1117 Vocational Rehabilitation Small Business Enterprise Fund	171.9	215.0	365.0
Funding Totals	10,847.6	12,042.7	12,218.6

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Investment Loss Trust Fund	51393	0.0	18.6	18.6	0.0	0.0
Unrestricted Total		0.0	18.6	18.6	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	7,539.9	8,655.5	8,655.2	8,662.9	8,662.9
Interagency Receipts	51015	0.0	0.0	0.0	17.3	17.3
General Fund Program Receipts	51060	0.0	4.9	4.9	4.9	4.9
Voc Rehab Small Business Enterprise Fund	51122	171.9	215.0	215.0	365.0	365.0
Restricted Total		7,711.8	8,875.4	8,875.1	9,050.1	9,050.1
Total Estimated Revenues		7,711.8	8,894.0	8,893.7	9,050.1	9,050.1

Client Services**Proposed Changes in Levels of Service for FY2002**

Changes in funding/service levels include an increase in funds for the Business Enterprise Program (BEP). The BEP will be bidding for a contract for food services at Ft. Wainwright Military Base.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	3,172.2	8,655.5	215.0	12,042.7
Adjustments which will continue current level of service:				
-Transfer funding & PFT PCN 05-2110 from Client Services to Vocational Rehabilitation Administration	0.0	-81.3	0.0	-81.3
-Transfer in funding & PFT PCN 05-2021 from Vocational Rehabilitation Admin to Client Services	0.0	73.2	0.0	73.2
-Year 2 Labor Costs - Net Change from FY2001	1.2	-2.3	0.2	-0.9
Proposed budget increases:				
-Increase Business Enterprise Program receipt authority	0.0	0.0	150.0	150.0
-Increase Federal and Inter-Agency Authorization for Non-Perm Position in Homer	0.0	17.8	17.1	34.9
FY2002 Governor	3,173.4	8,662.9	382.3	12,218.6

Client Services**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	80	81	Annual Salaries	3,583,852
Part-time	1	1	COLA	47,071
Nonpermanent	0	1	Premium Pay	0
			Annual Benefits	1,249,137
			<i>Less 5.28% Vacancy Factor</i>	(257,460)
			Lump Sum Premium Pay	0
Totals	81	83	Total Personal Services	4,622,600

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
[No valid job title]	1	0	0	0	1
Accounting Clerk II	0	0	1	0	1
Administrative Clerk II	0	0	0	1	1
Asst Chief Voc Rehab Svcs	1	0	0	0	1
Chf Vocational Rehab	0	0	1	0	1
Project Coord	1	0	0	0	1
Secretary	1	0	0	0	1
Training Specialist	1	0	0	0	1
Voc Rehab Assist I	6	2	1	3	12
Voc Rehab Assist II	9	3	2	3	17
Voc Rehab Assist III	1	0	0	1	2
Voc Rehab Counselor Assoc I	2	0	0	2	4
Voc Rehab Counselor I	2	1	2	4	9
Voc Rehab Counselor II	12	3	1	4	20
Voc Rehab Evaluator Assoc II	0	0	1	0	1
Voc Rehab Evaluator II	3	0	0	0	3
Voc Rehab Manager	3	1	1	0	5
Vocational Rehab Counselor III	1	1	0	0	2
Totals	44	11	10	18	83

Component: Federal Training Grant

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Component Mission

To ensure that skilled and qualified personnel are available to provide vocational rehabilitation services.

Component Services Provided

This component, which is 90% federally funded, contains resources for Human Resources Development (HRD) activities for all agency staff. The HRD activities focus primarily on program areas which are essential to improving the ability of rehabilitation personnel to function in their present jobs, prepare for positions of greater responsibility within the division, and/or correct deficiencies identified through the program review process.

Component Goals and Strategies

MAINTAIN A COMPREHENSIVE SYSTEM OF PERSONNEL DEVELOPMENT AND MANAGE THE FEDERAL TRAINING GRANT.

* The system of personnel development will ensure an adequate supply of qualified rehabilitation personnel, including professionals and paraprofessionals, as mandated under Section 101 (a) (7)(A) of the Rehabilitation Act Amendments of 1998. Areas of training include medical and psychosocial aspects of disabilities, counseling skills, job development and placement activities, informed choice and areas determined through a needs assessment process.

* Provide training on the Workforce Investment Act of 1998 to specifically target Title IV, the Rehabilitation Act Amendment of 1998. The goal will be 1,000 hours of training provided resulting in vocational rehabilitation case services provided in compliance with the Workforce Investment Act.

Key Component Issues for FY2001 – 2002

The Workforce Investment Act requires agencies to ensure the competency of counselors who provide direct services to consumers. The division continues to define these competencies and assess if the current staff will meet them. Staff have been identified who need additional training and are in the process of attaining such training. The Department's Human Resource Section is currently reviewing the defined competencies to determine how they will fit within the personnel system.

Major Component Accomplishments for FY2000

Training was provided to all professional and paraprofessional staff on the newly implemented federal regulations for the vocational rehabilitation program. Specialized training was provided to selected staff on specific disability issues and approaches to providing services which enabled the division to remain current and up-to-date. Academic training was provided to select professional staff to improve their knowledge and skills and the general quality of services provided to individuals with disabilities.

Statutory and Regulatory Authority

AS 23.15 Article 1
8 AAC 98
34 CFR Part 361
PL 105-220, Title IV

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FY2002 Governor
Department of Labor and Workforce Development

Federal Training Grant

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	16.6	30.3	30.3
73000 Contractual	13.4	24.0	24.0
74000 Supplies	1.7	2.0	2.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	1.2	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	32.9	56.3	56.3
Funding Sources:			
1002 Federal Receipts	27.3	50.7	50.7
1003 General Fund Match	5.6	5.6	5.6
Funding Totals	32.9	56.3	56.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	27.3	50.7	50.7	50.7	50.7
Restricted Total		27.3	50.7	50.7	50.7	50.7
Total Estimated Revenues		27.3	50.7	50.7	50.7	50.7

Federal Training Grant**Proposed Changes in Levels of Service for FY2002**

There are no changes in services proposed for FY2001 in this component.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	5.6	50.7	0.0	56.3
FY2002 Governor	5.6	50.7	0.0	56.3

Component: Vocational Rehabilitation Administration

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Component Mission

The Alaska Division of Vocational Rehabilitation will be responsive to the needs of internal and external customers by practicing quality management and leadership.

Component Services Provided

This component provides administrative support and oversight for all components within this BRU. Included are:

- * securing federal and state resources necessary to operate the programs;
- * liaison with other public and private agencies;
- * communications within and outside the organization;
- * policy direction for all components within the division;
- * monitoring, planning, evaluation and control of the activities of the division;
- * monitoring grants provided to public and private-non-profit organizations;
- * provide accounting services for all program grant funds to individuals and non-profit organizations; and
- * design and use integrated information and communications systems to promote effective and efficient daily operations and planning.

Component Goals and Strategies

PROVIDE ADMINISTRATIVE MANAGEMENT FOR THE DIVISION.

- * Ensure that the division is in compliance with state and federal requirements and that sufficient resources are available;
- * Fulfill fiduciary responsibility by spending within the budget appropriation;
- * Conduct program planning activities;
- * Conduct program evaluation and customer satisfaction activities;
- * Increase Alaskans' awareness of the services available from the division; and
- * Utilize technology to maximize access to information and services.

Key Component Issues for FY2001 – 2002

As programs and activities are increased within the division, particularly with the Workforce Investment Act and the division's expansion into One-Stop Job Centers, emphasis will need to be continued on streamlining administrative functions for greater efficiency under a Unified State Plan.

Major Component Accomplishments for FY2000

Administrative support was provided by this component to ensure all programs within the division had adequate resources and guidance to fulfill program goals within their budget and within all legal requirements. Additionally, liaison was provided with state and federal counterparts on issues which affect individuals with disabilities including: consumer empowerment, integration of services, work incentives, economic development, and transition from school to work. The division was successfully transferred into the Department of Labor and Workforce Development.

Statutory and Regulatory Authority

AS 23.15, Article 1
8 AAC 98
34 CFR

Vocational Rehabilitation Administration

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	824.9	807.6	905.3
72000 Travel	61.5	65.8	65.8
73000 Contractual	184.5	431.3	413.9
74000 Supplies	37.3	17.2	17.2
75000 Equipment	12.9	45.1	45.1
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,121.1	1,367.0	1,447.3
Funding Sources:			
1002 Federal Receipts	927.6	1,198.4	1,258.5
1003 General Fund Match	166.2	168.6	168.6
1007 Inter-Agency Receipts	27.3	0.0	20.2
Funding Totals	1,121.1	1,367.0	1,447.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	927.6	1,198.4	1,178.8	1,258.5	1,258.5
Interagency Receipts	51015	27.3	0.0	0.0	20.2	20.2
Restricted Total		954.9	1,198.4	1,178.8	1,278.7	1,278.7
Total Estimated Revenues		954.9	1,198.4	1,178.8	1,278.7	1,278.7

Vocational Rehabilitation Administration**Proposed Changes in Levels of Service for FY2002**

This component provides administrative support services to all division programs and is now covered by an indirect cost agreement that allows the division to fund the component appropriately.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	168.6	1,198.4	0.0	1,367.0
Adjustments which will continue current level of service:				
-Transfer funding & PFT PCN 07-7002 from Independent Living to Vocational Rehabilitation Admin	0.0	0.0	20.0	20.0
-Transfer funding & PFT PCN 05-2110 from Client Services to Vocational Rehab Administration	0.0	81.3	0.0	81.3
-Transfer out funding & PFT PCN 05-2021 from Vocational Rehabilitation Admin to Client Services	0.0	-73.2	0.0	-73.2
-Transfer PFT position PCN 05-2205 from Special Projects to Vocational Rehabilitation Administration	0.0	51.6	0.0	51.6
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.4	0.2	0.6
FY2002 Governor	168.6	1,258.5	20.2	1,447.3

Vocational Rehabilitation Administration**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	12	14	Annual Salaries	683,915
Part-time	0	0	COLA	10,917
Nonpermanent	0	1	Premium Pay	0
			Annual Benefits	227,234
			<i>Less 1.82% Vacancy Factor</i>	(16,766)
			Lump Sum Premium Pay	0
Totals	12	15	Total Personal Services	905,300

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Spvr II	0	0	1	0	1
Accounting Tech I	0	0	1	0	1
Accounting Tech II	0	0	1	0	1
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	0	0	2	0	2
Administrative Manager I	1	0	0	0	1
Administrative Manager IV	0	0	1	0	1
Analyst/Programmer IV	0	0	0	1	1
Comm Rehab Prog Spec	0	0	1	0	1
Division Director	0	0	1	0	1
Prog Coordinator	0	0	1	0	1
Program Administrator	1	0	0	0	1
Research Analyst II	0	0	1	0	1
Student Intern I	0	0	1	0	1
Totals	3	0	11	1	15

Component: Independent Living Rehabilitation

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Component Mission

To promote a philosophy of independent living including peer support, self help, self determination, equal access, and individual and system advocacy in order to maximize the empowerment, independence, and productivity of individuals with disabilities, and their integration and full inclusion into mainstream society.

Component Services Provided

The Independent Living component addresses the needs of those persons who experience significant disabilities. These individuals are often unable to work; they are often institutionalized at taxpayer expense in nursing homes or other long-term care facilities. A major focus of the independent living program is the development of support and transition systems to allow persons with severe disabilities to move from institutions into community living environments at considerably less cost to the taxpayer. Examples of services supporting transition include the development of barrier-free housing, accessible transportation, training of personal care attendants, self-advocacy skills training, adaptive equipment and aids, consultation, personal care management training and referral services to other programs and benefits for which the individual may be eligible. In addition, the provision of independent living services may result in the individual acquiring the skills and resources necessary to secure employment.

Component Goals and Strategies

PROVIDE SERVICES THAT ENABLE ALASKANS WITH SIGNIFICANT DISABILITIES TO LIVE INDEPENDENTLY.

- * Ensure that high quality independent living services are available statewide;
- * Require annual work plans by grantees and conduct triennial (every 3 years) site reviews of independent living grants to ensure grantees are adhering to the terms of their grant agreements and are in compliance with the State Plan for Independent Living and all applicable state and federal laws on independent living.
- * Provide statewide independent living services through grant agreements with five Centers for Independent Living (CILs);
- * Provide statewide independent living services for individuals who are blind and age 55 or older through grant agreements with Centers for Independent Living and/or Specialized Service Providers; and
- * Support the State Independent Living Council (SILC) through a reimbursable service agreement using Vocational Rehabilitation Basic Support funds.

Key Component Issues for FY2001 – 2002

The state currently has established five regions for independent living services. There is a continuing need to provide a method for ensuring that all Alaskans, even in remote areas, have access to services.

Major Component Accomplishments for FY2000

Direct services were provided to individuals with significant disabilities, including older blind individuals, through grants to non-profit centers for Independent Living in five regions: Anchorage/Matsu, Southeast, Northwest (Kotzebue), Northern/Interior, and Gulf Coast. Consumers received services which included self-care, communication, mobility training, advocacy, benefits counseling, peer counseling, assistive devices and equipment, independent living skills

training, personal assistance services, social/recreation services, transportation coordination, vocational services, information and referral. Site reviews of all Centers and other providers were conducted by a team of DVR and SILC staff and members. Centers continue to assist individuals and families with transitioning from long-term care facilities to the community, as well as provide direct services that result in individuals with significant disabilities being able to stay in their own homes and communities.

Statutory and Regulatory Authority

PL 150-220, Title IV
AS 23.15, Article 1
8 AAC 98
34 CFR Parts 364,365,366 & 367

Independent Living Rehabilitation

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	90.3	92.2	78.0
72000 Travel	25.9	39.8	36.8
73000 Contractual	53.5	92.1	89.0
74000 Supplies	0.5	4.1	4.1
75000 Equipment	0.0	1.7	1.7
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	1,076.4	1,115.6	1,290.6
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,246.6	1,345.5	1,500.2
Funding Sources:			
1002 Federal Receipts	499.4	595.8	770.8
1003 General Fund Match	57.8	57.8	57.8
1004 General Fund Receipts	529.1	529.1	529.1
1007 Inter-Agency Receipts	160.3	162.8	142.5
Funding Totals	1,246.6	1,345.5	1,500.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	499.4	595.8	595.8	770.8	770.8
Interagency Receipts	51015	160.3	162.8	160.3	142.5	162.3
Restricted Total		659.7	758.6	756.1	913.3	933.1
Total Estimated Revenues		659.7	758.6	756.1	913.3	933.1

Independent Living Rehabilitation**Proposed Changes in Levels of Service for FY2002**

No changes in levels of services are anticipated.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	586.9	595.8	162.8	1,345.5
Adjustments which will continue current level of service:				
-Transfer Federal Authority from Special Projects to Independent Living Rehabilitation - RP 0714009	0.0	175.0	0.0	175.0
-Transfer funding & PFT position PCN 07-7002 from Independent Living to Vocational Rehab Admin	0.0	0.0	-20.0	-20.0
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-0.3	-0.3
FY2002 Governor	586.9	770.8	142.5	1,500.2

Independent Living Rehabilitation**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	1	1	Annual Salaries	58,032
Part-time	0	0	COLA	1,398
Nonpermanent	1	0	Premium Pay	690
			Annual Benefits	18,093
			<i>Less 0.27% Vacancy Factor</i>	(213)
			Lump Sum Premium Pay	0
Totals	2	1	Total Personal Services	78,000

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Project Coordinator	1	0	0	0	1
Totals	1	0	0	0	1

Component: Disability Determination

Contact: Duane French, Director

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Component Mission

To provide efficient adjudication of claims for disability benefits under Title II and Title XVI of the Social Security Act.

Component Services Provided

Disability Determination Services (DDS) is 100% federally funded by the Social Security Administration. Historically, the DDS operated under contract agreement between the state (Division of Vocational Rehabilitation) and the Federal Government (SSA). In 1980, federal legislation changed that relationship. The DDS operates as a federally regulated agency. Adjudication services are also provided for the Division of Public Assistance through a Reimbursable Services Agreement (RSA).

These federal funds are used solely to provide medical determinations for persons alleging disability under Title II (Social Security) and Title XVI (Supplemental Security Income) provisions of the Social Security Act, as amended.

The DDS is responsible for obtaining medical records, and in certain situations, purchasing medical exams, in order to adjudicate these disability claims.

The DDS also refers claimants to the Division of Vocational Rehabilitation for consideration of a wide range of services.

The DDS adjudicates approximately 5,400 disability claims a year, including medical reviews of those people already receiving disability payments.

Disabled persons in Alaska under both the Title II and Title XVI disability program and their dependents receive approximately \$36,000,000 per year in payments based on disability. This figure does not include any state funds or other state benefits that these recipients may receive or for which they may be eligible by virtue of their eligibility for federal SSA and/or SSI disability benefits.

Component Goals and Strategies

PROVIDE SERVICES TO ENABLE ALASKANS WITH DISABILITIES TO RECEIVE SOCIAL SECURITY BENEFITS.

* Adjudicate approximately 5,400 claims annually for Supplemental Security Income (SSI) and Social Security Disability Income (SSDI);

* Maintain adequate staff and resources to provide adjudication and administrative services;

* Conduct quality control activities; and

* Provide adequate staff training.

Key Component Issues for FY2001 – 2002

The Alaska Disability Determination Services is one of ten states in the country to start adjudicating disability claims in a new manner. This will serve as a model for the remaining states. This new process, called the Disability Prototype, started in FY 2000 and will run through FY 2001. It involves more claimant contact, more focus on treating physician opinion and symptomatology, and elimination of the reconsideration step. The non-Prototype states will start this

process in FY 2001. The ten original states are working with the Social Security Administration to streamline the process.

Major Component Accomplishments for FY2000

4,629 new claims for Social Security benefits were adjudicated, 945 of which were for continuing benefits.

The first year of the Prototype has resulted in an allowance rate increase to 51% over 42% in FY 1999. While the process has resulted in better decisions, it has taken longer to process claims.

Statutory and Regulatory Authority

PL 74-271

Disability Determination

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,328.8	1,403.5	1,376.2
72000 Travel	27.4	32.3	32.3
73000 Contractual	517.3	1,096.8	1,149.9
74000 Supplies	23.2	12.1	12.1
75000 Equipment	96.2	118.0	118.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	1,619.4	2,330.8	2,400.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,612.3	4,993.5	5,088.5
Funding Sources:			
1002 Federal Receipts	3,474.4	4,892.6	4,888.9
1007 Inter-Agency Receipts	137.9	100.9	199.6
Funding Totals	3,612.3	4,993.5	5,088.5

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<u>Unrestricted Revenues</u>						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
<u>Restricted Revenues</u>						
Federal Receipts	51010	3,474.4	4,892.6	4,855.9	4,888.9	4,888.9
Interagency Receipts	51015	137.9	100.9	200.1	199.6	199.6
Restricted Total		3,612.3	4,993.5	5,056.0	5,088.5	5,088.5
Total Estimated Revenues		3,612.3	4,993.5	5,056.0	5,088.5	5,088.5

Disability Determination**Proposed Changes in Levels of Service for FY2002**

There are no changes in services proposed for FY2001 in this component.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	4,892.6	100.9	4,993.5
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	-3.7	-0.5	-4.2
Proposed budget increases:				
-Increase interagency receipt authority for RSA with H&SS	0.0	0.0	99.2	99.2
FY2002 Governor	0.0	4,888.9	199.6	5,088.5

Disability Determination
Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	26	26	Annual Salaries	1,034,546
Part-time	0	0	COLA	14,003
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	379,288
			<i>Less 3.62% Vacancy Factor</i>	(51,637)
			Lump Sum Premium Pay	0
Totals	26	26	Total Personal Services	1,376,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	1	0	0	0	1
Administrative Clerk I	1	0	0	0	1
Administrative Clerk II	2	0	0	0	2
Administrative Clerk III	3	0	0	0	3
Chf Vocational Rehab	1	0	0	0	1
Disability Adjud Assoc I	7	0	0	0	7
Disability Adjud Assoc II	4	0	0	0	4
Disability Adjudicator I	5	0	0	0	5
Disability Adjudicator II	1	0	0	0	1
Disability Hearing Offcr	1	0	0	0	1
Totals	26	0	0	0	26

Component: Special Projects

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Component Mission

To seek out new and innovative programs which will enhance and support the general mission of the division to provide services to individuals with disabilities.

Component Services Provided

The division seeks funding for innovative projects that address needs identified in the planning process. Projects are also designed to address state and federal initiatives such as client choice. Projects are complementary to the basic vocational rehabilitation service program.

SUPPORTED EMPLOYMENT/TITLE VI PART C: Supported employment services is a 100% federally funded program to provide services to individuals with the most severe disabilities who require supported employment to enter or retain competitive employment. With the support and service provided through this program, the individuals are able to benefit from vocational rehabilitation services. Services funded include intensive on the job training. Extended support services after placement and training must be provided by other sources of funding or with the use of natural supports.

INTERPRETER REFERRAL SERVICES: Grants are funded to non-profit organizations in Juneau, Anchorage and Fairbanks enabling them to administer the project for referral of sign language interpreters for deaf and hearing impaired individuals.

ALASKA TRANSITION INITIATIVE: The purpose of this initiative is to develop a statewide service delivery system for transition so that youth with disabilities will transition successfully from school to adult life. There are approximately 700 students who exit special education during a year and who would benefit from a comprehensive service delivery system. This is 100% federally funded.

ALASKA WORKS PROJECT: The Alaska Works Project will assist individuals with disabilities to expand the use of federal and state provisions allowing the retention of Medicaid and Medicare benefits when they return to work. This project will also engage business executives in developing aggressive strategies to increase the presence of people with disabilities in their workforce. Alaska Works started in November, 1999. It is funded 100% through an RSA with DHSS.

ECONOMIC DEVELOPMENT ALLIANCE: An Economic Development Alliance Project is continued in collaboration with the Governor's Council of Disabilities and Special Education. The project assists private businesses with hiring individuals with disabilities by providing funds for the business to purchase needed technology, equipment or other services. It is funded by an RSA with DHSS.

ALASKA WORK INCENTIVES PROJECT: This project seeks to enhance the employability, employment and career advancement of people with disabilities through enhanced service delivery in the new One-stop delivery system established under the Workforce Investment Act of 1998.

Component Goals and Strategies

1) **ENABLE INDIVIDUALS WITH THE MOST SEVERE DISABILITIES TO GO TO WORK.**

* Provide supported employment services.

2) **PROVIDE A MEANS FOR PEOPLE WHO ARE DEAF TO COMMUNICATE WITH HEARING PEOPLE.**

* The division will fund three regional grants in Anchorage, Fairbanks and Juneau for sign language interpreter services. The grantees serve as referral agents to match interpreters with individuals who are deaf or hard of hearing and who need interpreter services for a specific purpose such as a meeting, medical appointment, job interview, etc.

3) FINALIZE DEVELOPMENT OF A STATEWIDE SERVICE DELIVERY SYSTEM FOR YOUTH WITH DISABILITIES TO TRANSITION SUCCESSFULLY FROM SCHOOL TO ADULT LIFE.

* Grants will be continued with the Special Education Services Agency, the University of Alaska and PARENTS as funds are available.

* The grantees work directly with students, parents and school districts.

5) ENABLE INDIVIDUALS WITH DISABILITIES TO GO TO WORK WITHOUT FEAR OF LOSING HEALTH BENEFITS.

* The Alaska Works project will assist individuals with disabilities to expand the use of federal and state provisions allowing them retention of Medicare and Medicaid benefits if they return to work. The project will engage business executives in developing aggressive strategies to increase the presence of individuals with disabilities in their workforce.

* The Alaska Work Incentive Project will expand on the Alaska Works program by improving the capacity of One-stop Centers to effectively and efficiently serve people with disabilities. Critical services such as benefits counseling and information on the services available and how to access services at One-stop sites will be provided to people with disabilities.

6) CREATE JOBS FOR INDIVIDUALS WITH DISABILITIES IN PRIVATE BUSINESSES.

* The "job creation" project will be continued in collaboration with the Governor's Council on Disabilities and Special Education. Two grants will be funded to non-profit organizations who will work with private businesses to develop business plans. These plans will be paid for by the project in exchange for a commitment by the business to hire individuals with disabilities.

Key Component Issues for FY2001 – 2002

The Alaska Works Project addresses the barriers individuals with disabilities face when they go to work. Medicaid and Medicare benefits may be cut off, yet the individuals may not have health insurance through their employers. Many other disincentives exist which the project is intending to resolve for those individuals. Additionally, the project works with business executives to develop strategies that will increase the presence of individuals with disabilities in their workforce. The Alaska Work Incentive Project will require major efforts to get operational during FY 2001. It will expand and enhance the Alaska Works Project.

Major Component Accomplishments for FY2000

Alaska Works staff made many strides in terms of providing training and technical assistance to Alaska Job Centers. Several training sessions were conducted for Job Center staff on disability specific topics including learning disabilities and mental health. Training sessions were also completed to build capacity in the area of benefits counseling. Consequently, several individuals have been identified around the state who are now able to provide this critical service. Self-assessments were completed by key staff from several Job Centers statewide, identifying areas of strengths and weaknesses in serving job seekers with disabilities.

Alaska Works teamed up with WorkStar and Dittman Research on a telephone survey of businesses to pose questions relating to disability and employment. Focus groups were held with employers in Anchorage to further define business's needs and experience in terms of employing people with disabilities. Forums were conducted statewide with consumer groups in order to better determine what people with disabilities need to take full advantage of the Alaska Job Center Network. All of this data is being examined to identify policy issues and better focus the program toward meeting the needs of Alaskans with disabilities who want to enter the workforce.

Statutory and Regulatory Authority

PL 102-569, Title IV

AS 23.15, Article 1

8 AAC 98

34 CFR

The Individuals with Disabilities Education Act (IDEA)

Special Projects

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	56.7	121.6	344.2
72000 Travel	9.2	18.7	78.7
73000 Contractual	47.1	110.2	955.8
74000 Supplies	10.8	9.2	34.2
75000 Equipment	18.2	11.0	66.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	1,081.6	1,519.9	1,376.8
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,223.6	1,790.6	2,855.7
Funding Sources:			
1002 Federal Receipts	791.8	1,553.2	2,615.8
1004 General Fund Receipts	82.9	82.9	85.8
1007 Inter-Agency Receipts	348.9	154.5	154.1
Funding Totals	1,223.6	1,790.6	2,855.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	791.8	1,553.2	1,550.4	2,615.8	2,615.8
Interagency Receipts	51015	348.9	154.5	154.5	154.1	154.1
Restricted Total		1,140.7	1,707.7	1,704.9	2,769.9	2,769.9
Total Estimated Revenues		1,140.7	1,707.7	1,704.9	2,769.9	2,769.9

Special Projects

Proposed Changes in Levels of Service for FY2002

Changes in this component include federal funding for the Alaska Work Incentives Project and the Access to Alaska Project. The Work Incentives project will enhance services for people with disabilities in One-stop Centers. Access to Alaska will target the tourism industry in Alaska to ensure compliance with the Americans with Disabilities Act.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	82.9	1,553.2	154.5	1,790.6
Adjustments which will continue current level of service:				
-Transfer Federal Authority from Special Projects to Independent Living Rehabilitation - RP 0714009	0.0	-175.0	0.0	-175.0
-Transfer PFT PCN 05-2205 from Special Projects to Vocational Rehabilitation Administration	0.0	-51.6	0.0	-51.6
-Year 2 Labor Costs - Net Change from FY2001	2.9	-0.8	-0.4	1.7
Proposed budget increases:				
-Increase Federal Authorization and Establish 3 Positions for Work Incentive grant	0.0	540.0	0.0	540.0
-Increase Federal Authorization and Establish 3 Positions for Access to Alaska grant	0.0	750.0	0.0	750.0
FY2002 Governor	85.8	2,615.8	154.1	2,855.7

Special Projects

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	2	1	Annual Salaries	302,880
Part-time	0	0	COLA	3,862
Nonpermanent	0	6	Premium Pay	0
			Annual Benefits	40,466
			<i>Less 0.87% Vacancy Factor</i>	(3,008)
			Lump Sum Premium Pay	0
Totals	2	7	Total Personal Services	344,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk III	1	0	0	0	1
Prog Coordinator	2	0	0	0	2
Project Assistant	1	0	0	0	1
Project Asst	1	0	0	0	1
Project Coord	0	0	0	2	2
Totals	5	0	0	2	7

Component: Assistive Technology

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Component Mission

To provide support systems for change and advocacy in developing and implementing a consumer responsive and comprehensive statewide program of technology related assistance for individuals with disabilities of all ages.

Component Services Provided

This component provides a means for implementing a system to assist persons with disabilities of all ages to live more independently through the use of assistive technology.

This component provides for the development, implementation and evaluation of a comprehensive service delivery system whereby persons with disabilities residing in all areas of the state will be able to access assistive technology services and/or devices. For this program to be successful, public, private-for-profit and non-profit agencies and providers must come together to provide services/devices without duplication and delays.

Federal funding of this project mandates that consumer involvement is a major emphasis, which requires consumer advice and direction at all levels of program development, implementation and evaluation.

Component Goals and Strategies

ASSISTIVE TECHNOLOGIES OF ALASKA WILL CONTINUE TO SUPPORT A CONSUMER-BASED COMPREHENSIVE SYSTEM OF SERVICE DELIVERY FOR INDIVIDUALS WITH DISABILITIES TO LIVE, WORK AND PARTICIPATE IN THEIR COMMUNITY INDEPENDENTLY THROUGH TECHNOLOGY.

- * Develop and stabilize a market-based delivery system of assistive technology devices and services;
- * Establish a long-term flexible alternative funding source, overseen by consumers for consumers.

Key Component Issues for FY2001 – 2002

Federal funds for this program are scheduled to end in FY2003 unless Congress extends the program.

The assistive technology market needs to be opened sufficiently to increase the likelihood of the sustained viability of a non-profit vendor in the Alaska assistive technology market. The goal is the expansion of existing services provided by existing vendors and/or the introduction of new vendors in the assistive technology market on a full-time basis.

There is a need for supplemental funding for the Assistive Technology Loan fund to meet the broad spectrum of consumer needs not covered by other service providers. The goal is to make available new funding or to decrease in the percentage of the loan guarantee required by the bank.

Major Component Accomplishments for FY2000

An Assistive Technology Consortium was continued by organizations currently receiving assistive technology grant funding from the division. The Consortium has actively worked to ensure that assistive technology services will continue after federal funding runs out. This has led to new and innovative approaches to providing services including equipment loans and information provided across regions with organizations sharing resources. It has also led to services which can be provided on a fee-for-service basis.

An administrative infrastructure and hub was developed within one of the organizations receiving Assistive Technology (AT) grant funding from the division. The hub supports expanded activities of the Consortium. Grant funding for Consortium agencies was modified so that entities wishing to participate in the Consortium were required to file a proposal with the hub agency. These proposals were to contain a market-driven philosophy with an outcome of sustainable service delivery. These changes have solidified the overall long-term sustainability of service statewide.

Direct AT services were provided regularly by non-profit organizations in Anchorage, Fairbanks, the Kenai Peninsula and Juneau who were funded through the division. Direct AT services were provided on an as-needed or itinerant basis in many other communities statewide including, but not limited to, Petersburg, Kotzebue, Kobuk River villages, and Kodiak.

Statutory and Regulatory Authority

ATA - PL 100-407

Technology Related Assistance for Individuals with Disabilities Act.

Assistive Technology

Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	44.3	73.6	74.2
72000 Travel	5.9	10.0	10.0
73000 Contractual	26.1	30.0	30.0
74000 Supplies	3.6	5.0	5.0
75000 Equipment	7.6	7.5	7.5
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	358.0	438.6	438.6
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	445.5	564.7	565.3
Funding Sources:			
1002 Federal Receipts	349.5	468.7	469.3
1007 Inter-Agency Receipts	96.0	96.0	96.0
Funding Totals	445.5	564.7	565.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<u>Unrestricted Revenues</u>						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
<u>Restricted Revenues</u>						
Federal Receipts	51010	349.5	468.7	468.7	469.3	469.3
Interagency Receipts	51015	96.0	96.0	96.0	96.0	96.0
Restricted Total		445.5	564.7	564.7	565.3	565.3
Total Estimated Revenues		445.5	564.7	564.7	565.3	565.3

Assistive Technology**Proposed Changes in Levels of Service for FY2002**

No changes of services levels is anticipated.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	468.7	96.0	564.7
Proposed budget increases:				
-Adjust Personal Services	0.0	0.6	0.0	0.6
Authorization for Year 2 Labor Costs				
FY2002 Governor	0.0	469.3	96.0	565.3

Assistive Technology**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	1	1	Annual Salaries	57,182
Part-time	0	0	COLA	1,361
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	17,920
			<i>Less 3.00% Vacancy Factor</i>	(2,294)
			Lump Sum Premium Pay	0
Totals	1	1	Total Personal Services	74,169

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Prog Coordinator	1	0	0	0	1
Totals	1	0	0	0	1

Component: Americans With Disabilities Act (ADA)

Contact: Duane French, Director

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Component Mission

To establish policies, guidelines and practices for state government to follow to ensure compliance with Title I and Title II of the Americans with Disabilities Act of 1990 as amended and the implementing regulations.

Component Services Provided

The Americans with Disabilities Act component oversees the process of bringing the executive branch of state government into compliance with the Americans with Disabilities Act. This includes a variety of activities related to training state employees; monitoring compliance efforts; providing technical assistance to departments; facilitating communication between departments; handling complaints about the Americans with Disabilities Act; ensuring that the executive branch of state government comes into compliance with state Administrative Order #129; and spearheading the removal of architectural barriers in all state facilities.

Component Goals and Strategies

TO ASSURE COMPLIANCE OF ALL AGENCIES IN THE EXECUTIVE BRANCH OF GOVERNMENT WITH TITLE I AND II OF THE AMERICANS WITH DISABILITIES ACT AND ADMINISTRATIVE ORDER #129.

- * Provide training to State employees to help them understand the Americans with Disabilities Act.
- * Provide updated information on status of state facilities audited for ADA compliance.
- * Complete interim transition plans.
- * Complete programmatic evaluations.
- * Research compliance history and report findings to the Governor, legislature and Alaskans.
- * Identify barriers in employment, programs and facilities.

Key Component Issues for FY2001 – 2002

- * To provide information and training to ensure compliance of all agencies with the requirements of the ADA.
- * To eliminate identified barriers to programs and facilities.

Major Component Accomplishments for FY2000

Services provided by the state ADA Coordinator included training of state supervisors and employees on:

- * Managing reasonable accommodation requests;
- * Working effectively with consumers of state services who have disabilities;
- * Building and maintaining state facilities that are barrier-free; and
- * Managing employees with psychiatric disabilities.

The state ADA Coordinator considered and responded to one programmatic ADA complaint, provided daily technical assistance to departments regarding ADA compliance, and completed design review of three new state facilities and 20 ADA modifications of existing facilities.

The state ADA Coordinator drafted and presented a two-year report to the Governor on the state ADA compliance process.

Statutory and Regulatory Authority

PL 101-336
42 USC 12101
Administrative Order 129
29 CFR part 1630

Americans With Disabilities Act (ADA)**Component Financial Summary***All dollars in thousands*

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	88.3	87.7	90.2
72000 Travel	17.8	37.1	37.1
73000 Contractual	27.1	63.1	60.2
74000 Supplies	3.9	4.5	4.5
75000 Equipment	7.5	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	144.6	192.4	192.0
Funding Sources:			
1004 General Fund Receipts	0.0	0.0	0.0
1007 Inter-Agency Receipts	144.6	192.4	117.0
1061 Capital Improvement Project Receipts	0.0	0.0	75.0
Funding Totals	144.6	192.4	192.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	144.6	117.4	117.4	117.0	116.9
Capital Improvement Project Receipts	51200	0.0	75.0	75.0	75.0	75.0
Restricted Total		144.6	192.4	192.4	192.0	191.9
Total Estimated Revenues		144.6	192.4	192.4	192.0	191.9

Americans With Disabilities Act (ADA)**Proposed Changes in Levels of Service for FY2002**

There are no changes in the services to be provided.

Summary of Component Budget Changes**From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	192.4	192.4
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.9	0.0	-0.5	0.4
Proposed budget decreases:				
-Adjust Personal Services Authorization for Year 2 Labor Costs	-0.9	0.0	0.1	-0.8
FY2002 Governor	0.0	0.0	192.0	192.0

Americans With Disabilities Act (ADA)**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	1	1	Annual Salaries	69,192
Part-time	0	0	COLA	824
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	20,181
			<i>Less 0.00% Vacancy Factor</i>	(0)
			Lump Sum Premium Pay	0
Totals	1	1	Total Personal Services	90,197

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Program Coordinator	0	0	1	0	1
Totals	0	0	1	0	1